





# TABLE OF CONTENTS

# **PRESENTATION**

- 6 ABOUT THE REPORT
- 8 CHAIRMAN'S MESSAGE
- 10 CEO'S MESSAGE
- 14 CORPORATE PROFILE
- 24 VISION & MISSION
- 26 OUR FOUNDATION STORY
- 28 OUR SUSTAINABILITY TRANSFORMATION JOURNEY
- 30 KEY HIGHLIGHTS
- 32 2024 DEVELOPMENTS
- 34 R&D AND INNOVATION
- 38 DIGITALIZATION AND INFORMATION SECURITY

# TAYPA AND SUSTAINABILITY

- 40 SUSTAINABILITY APPROACH AND GOALS
- 48 FROM STRATEGY TO ACTION: OUR SUSTAINABILITY ORGANIZATION
- **50 -** MATERIALITY ANALYSIS –
  METHODOLOGICAL APPROACH
- 52 STAKEHOLDER ENGAGEMENT AND COMMUNICATION
- **54 -** CORPORATE MEMBERSHIPS AND PARTICIPATION IN INITIATIVES
- **56 -** CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

# **ENVIRONMENTAL FOCUS**

- 58 RESPONSIBLE PRODUCTION
- **60 PRODUCT QUALITY AND SAFETY**
- 61 SUSTAINABLE RAW MATERIAL MANAGEMENT
- **62 CHEMICAL MANAGEMENT**
- **64 -** SUSTAINABLE DESIGN AND CIRCULAR FASHION APPROACH
- 66 ENERGY AND EMISSIONS MANAGEMENT
- 70 ENERGY AND RENEWABLE ENERGY PROJECTS
- 72 WATER MANAGEMENT
- 76 WASTE MANAGEMENT AND ZERO WASTE APPROACH

# **SOCIAL FOCUS**

- 78 HUMAN RESOURCES
- 82 EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT
- 88 OCCUPATIONAL HEALTH AND SAFETY (OHS)
- 90 CUSTOMER SATISFACTION
- 92 SUPPLY CHAIN MANAGEMENT
- 96 CORPORATE SOCIAL RESPONSIBILITY

# **GOVERNANCE FOCUS**

- 98 CORPORATE GOVERNANCE APPROACH
- 100 RISK MANAGEMENT
- 101 ETHICS AND COMPLIANCE

# **APPENDICES**

104 - PERFORMANCE INDICATORS

111 - GRI CONTENT INDEX









# **ABOUT THE REPORT**

# Sustainability and ESG Context

Taypa's 2024 Sustainability Report (the Report) provides a comprehensive overview of the company's progress in the areas of environmental, social, and governance (ESG), aligned with its strategic goals and priority impact areas.

This Report serves as a primary source of information on Taypa's ESG performance and is intended to be reviewed in conjunction with the company's corporate policies, ethical principles, guidelines, and related disclosures available on its official website.

The content has been prepared in accordance with the principles of transparency, accountability, and continuous improvement.

# Reporting Period, Frequency and Scope

Unless otherwise stated, all data presented in this Report covers the period from January 1, 2024 to December 31, 2024. Taypa publishes its sustainability report on an annual basis.

The Report outlines Taypa's approach to long-term value creation for its stakeholders, including its risk and opportunity management, strategic priorities, future outlook, stakeholder engagement, and performance across environmental, social, and governance (ESG) dimensions.

# Taypa's Ecosystem

Unless otherwise stated, the activities referred to as "Taypa" throughout this Report encompass the operations of Tayeks Dış Ticaret ve Tekstil Sanayi A.Ş. and Taypa Tekstil Giyim Sanayi ve Ticaret A.Ş.

To reflect the organizational structure accurately, the Report also includes introductory information on TAY Group, of which Taypa is a member.



2017 SUSTAINABILITY REPORT



2018 SUSTAINABILITY REPORT



SUSTAINABILITY REPORT

# **Report Publication Format**

The PDF version of Taypa's 2024 Sustainability Report has been published on the Sustainability section of the Company's website.

### Standards and Frameworks

Taypa's 2024 Sustainability Report has been prepared with reference to the following internationally recognized standards and frameworks:

- •Global Reporting Initiative (GRI) Standards
- •United Nations Sustainable Development Goals (UN SDGs)

# Verification and Assurance Approach

The environmental, social, and governance (ESG) performance indicators presented in this Report have been verified for accuracy and reliability by independent third-party assurance and consultancy firms with relevant expertise.

- •Environmental data have been verified in accordance with the Higg Facility Environmental Module (FEM) framework under the Higg Index.
- Social data have been verified in line with the Social & Labor Convergence Program (SLCP) methodology.

All data presented in the Report were retrieved directly from Taypa's internal data management system. Taypa highly values stakeholder input and feedback as part of its sustainability journey. For any suggestions, comments, or inquiries regarding this Report, please contact us at csr@taypa.com.tr

We appreciate your contribution.

By scanning the QR codes, you can access our previous period reports in your browser.



2020 SUSTAINABILITY REPORT



SUSTAINABILITY REPORT



2022 SUSTAINABILITY REPORT



2023 SUSTAINABILITY REPORT

# **CHAIRMAN'S MESSAGE**

Taypa and Sustainability



Dear Stakeholders,

As Taypa, we have completed another year in line with our strategies that integrate global transformation processes, place sustainable development at the center, and aim to create value for the future. It is with great pride and pleasure that I share with you our 8th Sustainability Report, which evaluates our activities for the year 2024.

This report, in which we transparently present our performance that blends economic growth with environmental and social responsibility using globally recognized metrics, aims to showcase every step Taypa takes in sustainability—as measurable accountability and a data-driven vision.

We have built our corporate governance approach on principles of integrity, positive communication, respect for confidentiality, flexible thinking, and fairness in all circumstances. Based on this solid foundation, our business model supports economic development not only through financial performance but also by creating value across environmental, social, and governance dimensions. We manage today while taking responsibility for tomorrow.

In this report, we share with you a broad spectrum of information—from the tangible outcomes of the areas we prioritize in line with our sustainability approach, to the multi-dimensional dialogues we maintain with our stakeholders, from our projects contributing to the Sustainable Development Goals, to our forward-looking targets.

Each page serves as strong evidence of how a sustainability approach based on science, measurability, and accountability delivers lasting results. For us, sustainability is not merely a journey; it is a responsibility whose impact begins today and brings hope for tomorrow.

The year 2024 was a period in which we approached environmental, social, and governance dimensions holistically and translated our strategic initiatives into tangible results on the ground.

One of the most significant developments this year was the independent verification of our greenhouse gas reduction commitment under the Science Based Targets initiative (SBTi). This achievement not only documents our contribution to combating climate change but also clearly demonstrates Taypa's adoption of a sustainability approach that is transparent, science-based, and aligned with international standards.

In 2024, we further advanced both the structural and operational transformation processes at Taypa. By relocating our design center from Ergene to our main headquarters, we created a closer and more interactive integration of creative processes with production, marketing, and R&D. This integration from design to production represented a significant step in enhancing our flexibility and innovation capabilities.

Simultaneously, we initiated efforts to transform our washing innovation center into an R&D hub. Through this transformation, we aim to increase investment in environmentally friendly technologies capable of producing with low water and energy consumption, thereby permanently reducing our environmental footprint.

Our sustainability management system not only monitors performance but also ensures that corporate decision-making processes consider environmental and social impacts. Within this scope, we have initiated preparations for the Oeko-Tex® STEP certification process. This effort is part of our goal to further align our sustainable production approach with independent and internationally recognized standards.

To enhance quality, customer satisfaction, and loyalty, we manage all our business processes through a sustainability management system that is definable, measurable, and continuously improvable. Leveraging our digitalization and innovation capabilities, we have integrated the analysis of sustainable production, climate risks, and environmental-social impacts into our policies.

In our 47th year of operations, we continue to maintain a strong position in both local and global markets while strengthening our long-term relationships with customers and suppliers. Expanding our product portfolio, increasing exports, and responding flexibly to market expectations remain among our key priorities.

We achieve these goals through our experienced workforce, solid financial structure, and advanced technology investments. With a participatory, modern, and equal-opportunity approach to human resources management, we continue to foster an innovative, continuously developing, and adaptable team culture.

Since our establishment, we have operated based on strong ethical values and responsible governance. Thanks to our solid corporate structure, Taypa today is more than a producer of high-quality textile products; it is a holistic organization that actively assumes responsibility against the climate crisis, carefully manages its environmental impacts, and places social benefit at the center of its activities.

On behalf of our Board of Directors, I extend my gratitude to all our employees, stakeholders, and business partners who accompany us on this journey. Together, we will continue to create and transform for a sustainable future.

M. Mesut Toprak Chairman

# **CEO'S MESSAGE**



### Dear Stakeholders,

At Taypa, we regard our sustainability approach as an integral part of the way we conduct business, integrating it at the core of our decision-making processes. In line with this approach, our 2024 Sustainability Report comprehensively presents not only our performance across environmental, social, and governance areas but also the strategic steps we have taken throughout the year.

We are living in a period where the world faces simultaneous economic, environmental, and social crises. While digitalization advances at a dizzying pace, the climate crisis, natural disasters, high inflation, fluctuations in energy prices, and geopolitical uncertainties continue to test the resilience of global systems. Ongoing conflicts in our region and tightening financial conditions are making not only economies but also social balances and environmental systems increasingly fragile.

This new balance is driving a profound transformation in the textile industry, making green production practices and a circular economy not a choice but a necessity. In the face of this new reality, Taypa chooses to be an active transformer rather than a passive observer, taking bold steps without hesitation. We approach sustainability not only from an environmental perspective but also as an integrated framework encompassing economic sustainability, social inclusivity, and corporate governance principles.

The year 2024 was one in which Taypa reinforced its strategic position, achieved tangible progress, and managed its environmental impacts in a measurable manner amid this multi-faceted transformation process.

The verification of our emission reduction commitment under the Science Based Targets initiative (SBTi) demonstrates that we base our climate action ambitions on scientific grounds. In line with our target to reduce Scope 1 and 2 emissions by 42% and Scope 3 emissions by 52% by 2030, we have taken concrete steps in energy efficiency, renewable energy utilization, and process optimization.

Our efforts to combat climate change extend beyond our own operations, aiming for collective transformation with stakeholders across our supply chain. In this context, we initiated preparations for the Oeko-Tex® STEP certification process in 2024. This system, which audits areas ranging from labor rights to environmental performance, chemical management, and occupational health and safety, demonstrates that Taypa operates across all production processes with transparency, accountability, and high standards. It is part of our goal not only to transform our company but also to contribute to the broader transformation of the industry.

This year, we also relocated our design center from Ergene to our main campus, creating a more integrated structure with our production and R&D teams. This enhanced agility in our product development processes and strengthened our capacity to provide faster and more sustainable solutions to customer demands. In parallel, we initiated a comprehensive process to transform our washing innovation center into an R&D hub. As a result of our focus on sustainable production technologies, this transformation aims to develop new techniques that optimize water and energy efficiency while minimizing chemical use.

Drawing strength from our 47 years of manufacturing experience, we take responsibility not only for today but also for future generations. We align our corporate governance culture with our digitalized business models and continuously enhance our sustainability management system. Our Sustainability Committee continued to play an active role this year in implementing strategic objectives and overseeing our impact monitoring processes.

Taypa's human capital is the cornerstone of our sustainability performance. This year, we continued to adopt a human resources management approach that enhances employee engagement, fosters continuous learning, and promotes inclusivity. At the same time, we deepened our interactions with customers and business partners to raise collective sustainability awareness across our supply chain.

The strong performance we demonstrated in 2024 once again confirms that Taypa is not only a company of today but also of the future. With practices that inspire our industry, investments that reduce environmental impacts, and an approach that prioritizes collective benefit, we are advancing decisively toward a sustainable future.

In the coming years, we will continue to dedicate our full efforts to creating a Taypa that leads change, manages its resources responsibly, and generates value for society. I extend my sincere gratitude to all our employees, customers, suppliers, and business partners for their support throughout this journey.

Burak Karaarslan CEO Of Taypa



# **CORPORATE PROFILE**



Founded in 1977 in the textile sector. TAY Group today employs 15,883 people and creates value across a wide geographic area.

### **TEXTILE**

With 47 years of experience, we continue to grow based on sustainability principles, aiming to be an indispensable supplier to global players in the textile sector.

### **TOURISM**

We operate in the tourism sector through the Four Seasons Hotel at the Bosphorus and Four Seasons Hotel Istanbul at Sultanahmet. hotels in which ASTAY Real Estate is the investor and developer, reflecting our vision for the sector.

### **REAL ESTATE**

Since 2004, we have been pursuing projects aimed at improving people's quality of life, continuing this journey with the same enthusiasm and passion.

### **FNFRGY**

Through Renecore Enerji, we develop renewable energy infrastructure and services, providing innovative and reliable solutions.

A group of companies whose strength comes from its traditions and whose success is rooted in its origins

# **Tourism**

### Atik Pasha Turizm A.Ş.

Owner of the Four Seasons Hotel Istanbul at The Bosphorus project. The hotel opened in June 2008 following the meticulous restoration of the Atik Paşa Palace.

### Sultanahmet Turizm A.Ş.

Owner of the Four Seasons Hotel Istanbul at Sultanahmet project. The building, which served as a prison between 1918 and 1919, was carefully restored and has since been operating in the historic center of Istanbul.

### Halikarnas Turizm ve Yatırım A.Ş.

Owner of the Four Seasons Resort Bodrum project. Scheduled for completion in 2026, this project will mark the first Mediterranean resort venture for the Four Seasons hotel group.

# **Real Estate**

### Astay Gayrimenkul İnşaat Yatırım ve Turizm A.Ş.

Founded in 2004, Astay operates with a vision of creating real estate projects that enhance people's quality of life and generate value for its stakeholders.

Astay's portfolio, including the Istanbul Four Seasons Bosphorus and Four Seasons Sultanahmet hotels, as well as the OnaltıDokuz and Academia residential projects, reflects the company's perspective as both an investor and developer.

Astay is also the owner of the Four Seasons Private Residence Istanbul project, scheduled for completion in 2024. This project will be the first Four Seasons residential development in Turkey, representing the world's most prestigious hotel and residence brand.

# **Energy**

### Renecore Enerji Yatırımları A.Ş.

Renecore Energy is an innovative and reliable energy investor operating in the renewable energy sector with a vision to build a sustainable future.

Focusing on clean energy sources, Renecore provides environmentally friendly, economically viable, and long-term solutions, aiming to be an active participant in the transformation of the energy sector.

In line with this vision, the company monitors emerging clean energy technologies and leverages innovative business models to create value for both investors and society.

Presentation Taypa and Sustainability Environmental Focus Social Focus Governance Foc

COPARATE PROFILE

# **Textile**

### **TAYPA**

### (TAYPA Tekstil Giyim San. ve Tic. A.Ş.)

TAYPA has continued its operations in the field of ready-to-wear garment and apparel manufacturing since 1993, following its initial establishment as a foreign trade company.

Appedices

### **TAYEKS**

### (TAYEKS Dış Tic. ve Tekstil San. A.Ş.)

Began its operations in 1977 with fabric trading for the domestic market. In 1987, the company expanded into fabric production for export through its group company TAYTEKS, and by 1989, TAYEKS had commenced ready-to-wear garment and apparel exports.

# EUROTAY D.O.O. (SERBIA)

Established by Tay Group in 2018 in Kraljevo, Serbia, Eurotay operates in the field of ready-to-wear garment and apparel manufacturing. The facility spans a total enclosed area of 35,000 m² and encompasses all key production processes, including cutting, sewing, washing, and finishing.

# T&C GARMENTS S.A.E. (EGYPT)

T&C Garment, the Group's first overseas investment in the apparel sector, was established in 2010 through a partnership with Egyptian company Cairo Cotton Center, and is located in Al Obour City, Cairo.

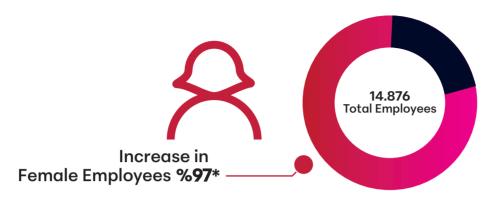
The facility employs over 5,000 people and operates across  $68,000 \, \text{m}^2$ , producing both denim and non-denim garments.

### TAYAL SPA (ALGERIA)

TAYAL SPA, a Turkish-Algerian joint venture, operates in the Sdi Khettap Industrial Zone in Algeria.

Positioned as a strong candidate to become the largest textile production facility in Europe and the Eastern Mediterranean region, the facility features an integrated production structure that covers all stages from cotton to finished product. Its production processes include denim, woven and knitted fabrics, as well as garment manufacturing.

### **Textile Group Global Indicators**



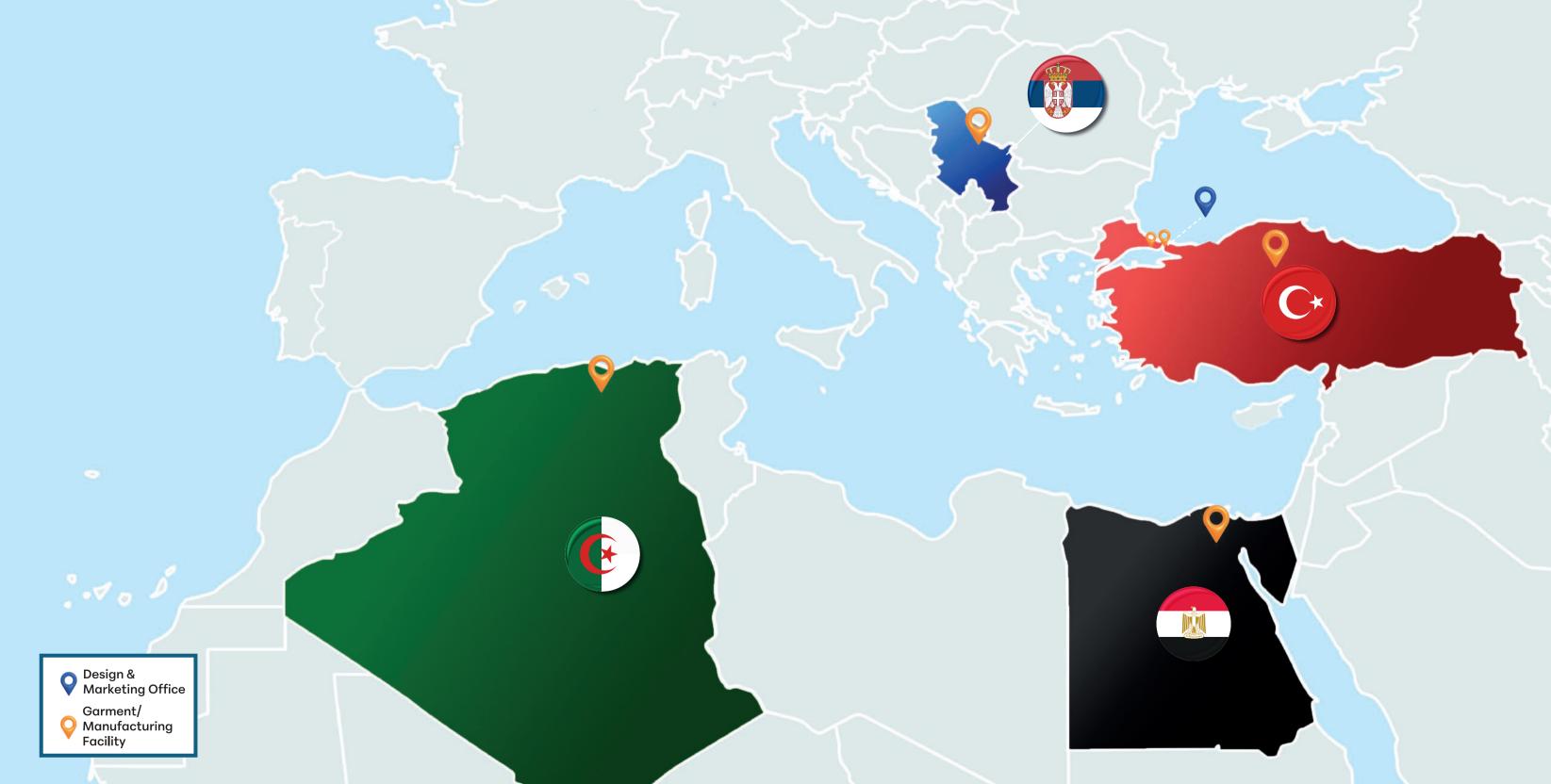


<sup>\*</sup>Employment and female employee growth rates are based on 2018 as the reference year, comparing to 2024.

# IN 2024

# 35 MILLION GARMENTS

We are the largest manufacturer on three continents in terms of garments, taking sustainability as a basis.





**TURKIYE** 

# **HEADQUARTER**

TOTAL CAPACITY\* 600.000 garments per month

> **ENCLOSED AREA** 19,000 M<sup>2</sup>

**OPERATION** Management Sales and Marketing Design Finance HR and Sustainability Purchasing

TOTAL NUMBER OF **EMPLOYEES** 

Contract Manufacturing

365

**ERGENE** 

**DENIM WASHING CAPACITY** 500.000 garments per month

**GARMENT DYEING CAPACITY** 100.000 garments per month

> **ENCLOSED AREA** 13.500 m<sup>2</sup>

**OPERATION** Washing **Garment Dyeing** 

TOTAL NUMBER OF EMPLOYEES 395

SILIVRI

TOTAL CAPACITY 250.000 garments per month

**ENCLOSED AREA** 22.000 m<sup>2</sup>

**OPERATION Cutting-Sewing** Packina **Embroidery-Printing** 

TOTAL NUMBER OF EMPLOYEES 1.136

BOLU

TOTAL CAPACITY 140.000 garments per month

**ENCLOSED AREA** 20.000 m<sup>2</sup>

**OPERATION Cutting-Sewing** Packing **Embroidery-Printing** 

TOTAL NUMBER OF EMPLOYEES 1.002

**SERBIA** 

# **KRALJEVO**

TOTAL CAPACITY 150.000 garments per month

> **ENCLOSED AREA** 35.000 m2

**OPERATION** Cutting-Sewing Packing **Embroidery-Printing** 

TOTAL NUMBER OF EMPLOYEES

777



**EGYPT** 

# CAIRO/AL OBOUR

TOTAL CAPACITY 1.500.000 garments per month

> **ENCLOSED AREA** 78.500 m2

**OPERATION Cutting-Sewing** Packing-Washing **Embroidery-Printing** 

TOTAL NUMBER OF EMPLOYEES 7.404



tayal

YARN PRODUCTION CAPACITY 25.000 tons/year

ENCLOSED AREA 330.000 m2

# **ALGERIA**

# RELIZANE / SIDI KHETTAB

PABRIC PRODUCTION CAPACITY
Denim & Non-Denim
45.000.000 meters/year

SHIRT 6.000.000 meters/year

> KNITTED 4.700 tons/year

TOTAL NUMBER OF EMPLOYEES 3.797

TARGETED GARMENT PRODUCTION CAPACITY

PANTS 12.000.000 pieces/year

SHIRT 6.000.000 pieces/year

KNITTED 12.000.000 pieces/year

TARGET NUMBER OF EMPLOYEES 10.000

21

Presentation Taypa and Sustainability Environmental Focus Social Focus Governance Focus Appedices

### CORPORATE PROFILE

### TAYPA IN BRIEF

### A success story

Taypa's journey begun 47 years ago when it started to supply fabric to exporters. Today, Taypa is a leading player in the global market in the field of ready-made clothing and apparel.

Over the years, Taypa has expanded its field of activity with the establishment of subsidiaries and consolidated its position as a ready-made clothing manufacturer and exporter in Türkiye, as well as Serbia, Egypt and Algeria.

### Collaboration with some of the world's leading brands

Taypa manufactures men and women's denim and non-denim trousers, shorts, skirts, dresses, coats and jackets for some of the world's leading denim brands through its design, product development and production activities. Taypa operates in the ready-to-wear and apparel sector. It exports 70% of its production that it realizes with its workforce of around 3,000 employees.

The Taypa General Directorate operates in Büyükçekmece, Istanbul. The Company manufactures ready-made clothes from its factories in Silivri and Bolu, and its washing and garment dyeing processes at the Ergene facility with a total enclosed production area of 70,000 m² in the textiles sector.

### A manufacturer that has internalized sustainability

Taypa constantly observes the interests of its stakeholders and performance in the field of sustainability in its production and trade cycles.

Taypa deems environmental, social and governance sustainability as a component of its long-term success and competitive strength and has devised its corporate strategy on this basis. With its strong sustainability structure, Taypa continues its work in line with the "7 sustainability goals".

Taypa has production processes focused on protecting the environment. It carries out a number of multifaceted projects in areas ranging from solar energy and wastewater to the management of other wastes, aiming to minimize the impact of its activities on the natural ecosystem and the planet's finite resources.





# **OUR VALUES**

# **T** Honesty

Our high moral values and honesty are our greatest virtues. Honesty constitutes the core value of our business.

# **Confidentiality**

The information provided by our employees, customers, suppliers and business partners is valuable to us. We take the utmost care to protect it.

# **Positive Approach**

We see the good side of every difficulty.
Every difficulty we overcome makes us stronger.

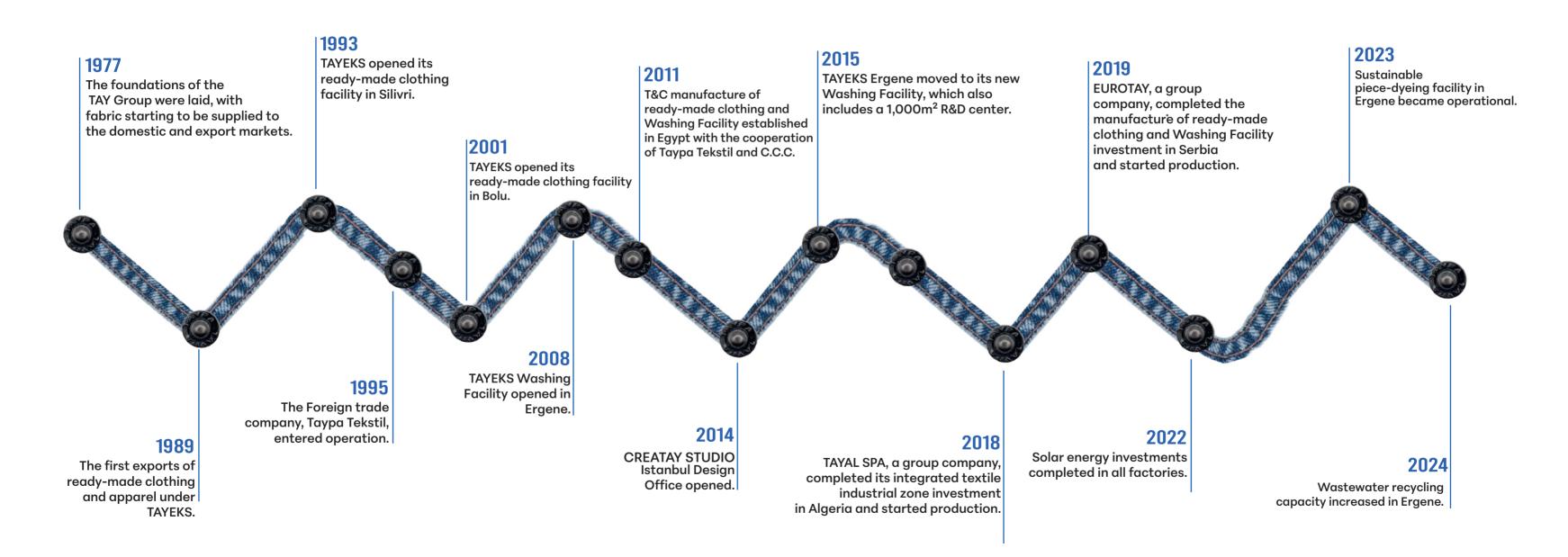
# **T**|Flexibility

We are open to every idea thanks to our flexible thinking system and ability to adapt rapidly.

# **Fairness**

We are fair and respectful to our employees, customers, suppliers, our environment, the law and all living things.

# OUR FOUNDATION STORY



# OUR SUSTAINABILITY TRANSFORMATION JOURNEY

### 2020

·Sustainability targets determined.

- · Became a member of Clean Chain.
- · First LCA (Life Cycle Assessment) completed.
- · Publication of the first GRI-approved Taypa Sustainability Report.
- · First OCS (Organic Content Standard) and RCS (Recycled Claim Standard) certificates received.
- · First SLCP self-assessment and verification was completed.
- · Ergene factory obtained its first ISO 50001 (Energy Management System) certificate.

### 2018

· First Higg FEM verification completed.

### 2019

- · Became a member of the BCI (Better Cotton Initiative).
- · Awarded first GRS (Global Recycle Standard) certificate.

- · Publication of first Sustainability Report.
- · Became a member of the ZDHC.
- · First Higg FEM self-assessment conducted.

### 2022

- · First Regenagri CS (Regenagri Content Standard) certificate obtained.
- · Hydrogen R&D Project implemented at Ergene factory.
- · Solar Energy Project completed at Silivri and Bolu factories.
- · Scope 1, 2 and 3 carbon footprint calculations carried out.

### 2024

·Our SBTi commitment has been validated. Implementation of Oeko-Tex STeP standards has commenced in all our factories.

### 2023

- ·SBTi commitment signed.
- · Project to bring the pumice sand waste back into the economy started.

- · Became a signatory to the SLCP.
- · First GOTS (Global Organic Textile Standard) certificate obtained.
- · Solar Energy Project completed at the Ergene factory.
- · Ergene factory's Wastewater Recycling Project completed.
- · First I-REC certificate obtained.
- · Participated in the Ellen MacArthur Foundation's circular Jeans ReDesign Project.





2.898
Total Employees



10 Million Pieces
Annual Production Capacity



%70 Export Ratio



+30
Number of
Export Countries



**Number of Suppliers** 



+10 Number of Customers



+25
Number of
Supplier Countries

# 2024 DEVELOPMENTS

### **Oeko-Tex® STeP Certification Process**

In line with our sustainable production goals, Taypa has initiated the Oeko-Tex® STeP (Sustainable Textile & Leather Production) certification process across all manufacturing facilities.

Oeko-Tex® STeP is an internationally recognized certification system that enables a holistic and systematic assessment of sustainability within textile production. Through this framework, Taypa has taken significant steps to minimize environmental impacts, enhance resource efficiency, promote transparency, and uphold workers' rights throughout its operations.

During the certification process, performance metrics related to energy and water consumption, emissions control, waste management, and chemical safety were analyzed. In parallel, our practices in occupational health and safety, employee well-being, and corporate social responsibility were reviewed to ensure alignment with global standards.

At Taypa, we prioritize integration into certification systems that support sustainable textile production and promote high environmental and social standards across the supply chain.

The Oeko-Tex® STeP process has strengthened our operational excellence approach and reflects our long-term commitment to responsible manufacturing.



### Our Commitment to the Science Based Targets Initiative (SBTi)

In alignment with the goals of the Paris Agreement\*, Taypa officially submitted its commitment to the Science Based Targets initiative (SBTi) in 2023, demonstrating its determination to reduce greenhouse gas emissions. The company's commitment letter, outlining its medium- and long-term emission reduction targets, was signed on December 12, 2023, and subsequently approved and published on the SBTi website.

Within this commitment, Taypa aims to reduce its Scope 1 emissions by 42% and its Scope 3 emissions by 52% by 2030, in line with the 1.5°C global warming pathway.

As of 2024, these targets have been officially validated by SBTi and are published on the initiative's website.

To achieve these ambitious targets, Taypa is implementing systematic measures and projects to enhance energy efficiency. All machinery across its operations is regularly monitored, and outdated, high-energy-consuming equipment is gradually being replaced with environmentally friendly, state-of-the-art technologies.

In addition, Taypa records the energy consumption data of all its facilities in the Higg\*\* Facility Environmental Module (FEM), managed by Cascale, and shares the verified results transparently with its business partners.

\* The Paris Agreement, signed on December 12, 2015 under the United Nations Framework Convention on Climate Change (UNFCCC),

addresses climate change mitigation, adaptation, and financing. It entered into force in 2016. As of March 2021, 191 UNFCCC members are parties to the agreement.

\*\* Under Cascale, there is the Higg platform, an online system where textile and apparel manufacturers share their social and environmental impacts. The platform includes the FSLM (Facility Social & Labor Module) and FEM (Facility Environmental Module).

### Commencement Of Transformation Into An R&D Center

### Natural Gas Reduction Through Dryer Machine Revision

# Increasing Wastewater Recycling Capacity

Initiatives have been launched to grant our Design Center, operating within the Tayeks Ergene Factory, the official R&D Center status.

This strategic transformation is designed to ensure that innovative ideas are developed into projects in a more systematic way, to strengthen the company's scientific and technological infrastructure, and to enable more effective utilization of government-supported incentive mechanisms.

The transition to becoming an R&D
Center is fully aligned with Tayeks'
vision of sustainable production,
efficiency enhancement, and
value-added product development.
With this restructuring, the
company aims to further advance
its capacity to deliver
groundbreaking solutions that make
a difference in the textile industry.

Dryer Machine Revision, implemented in 2024, aimed to eliminate the need for steam transfer in dryers used in denim washing and piece dyeing processes.

Traditional systems relied on natural gas-fired steam boilers, which, despite their efficiency compared to older fuel types, still involved energy losses from high-pressure steam transfer, leakage, condensation, and posed significant occupational safety risks.

In the new system, each dryer is equipped with an individual combustion chamber powered by a natural gas burner, replacing the central steam supply.

As a result: Steam leakage and condensation-related losses have been eliminated, drying costs have been reduced by 30%, maintenance costs associated with steam systems have been eliminated, re-dyeing issues caused by inefficient steam drying have been completely resolved.

This system operates on a principle similar to decentralized heating, using independent natural gas combustion for each machine, significantly improving energy efficiency and operational safety.

To enhance wastewater recycling capacity in our piece dyeing facility, several technical improvements have been implemented:

- Recipes, chemical compositions, and process parameters have been revised to enable 100% washing with ultrafiltration (UF) water. This has allowed the utilization of idle UF capacity during specific periods of the day.
  - Additional storage tanks have been organized to recirculate overflow water from the UF process back into the system.
- •UF water has been used in piece dyeing processes instead of reverse osmosis (RO) water, reducing RO reject water by 35% and increasing overall water recycling rates.
- •Maintenance, repair, and recommissioning of the perlite filter, decanter, and sludge press have been completed, ensuring high-efficiency operation. These improvements have reduced the load on the treatment system, minimized filter blockages, and increased recycling capacity.

# **R&D AND INNOVATION**

The textile and ready-to-wear industry is in constant transformation due to rapidly changing trends and technological advancements. In this dynamic environment, an innovative approach and adaptability are the keys to success.

Taypa anticipates this transformation process in advance and develops proactive strategies in R&D and design. These strategies not only strengthen the company's competitive advantage but also directly contribute to the 2025 goal of becoming a leader in Europe.

By prioritizing R&D efforts, Taypa has successfully implemented many innovative projects by effectively utilizing both its own equity and support from various project funds.

### Taypa Design Center: R&D Power in Product Development and Sustainability

The Taypa Design Center plays a vital role in enhancing production processes and expanding the company's sustainable product portfolio through its strong innovation capabilities.

Since its establishment, a total of 43 projects have been initiated, of which 81% have been successfully completed. As of 2024, 16 active projects are being carried out, with a primary focus on sustainable product design and process optimization aimed at reducing environmental impact.

Operating with a multidisciplinary team of 20 professionals, the R&D Center continues to develop innovative solutions aligned with Taypa's sustainability and product diversification strategies.

R&D efforts in washing processes remain one of the Center's key focus areas, supporting continuous improvement and sustainability-driven innovation.

# Sustainability And Innovation Through R&D And Academic Collaborations

As Taypa R&D Centre, we carry out strong collaborations with academic institutions by focusing on sustainability, inclusiveness and innovation.

With the projects and training activities we carry out with Istanbul Arel University, Aydın University, Marmara University, Haliç University, Namık Kemal University and Istanbul Technical University, we both pioneer sectoral innovations and support social responsibility and environmentally friendly approaches.

In this context, inclusive fashion designs are developed for the needs of disabled individuals, while sustainable practices such as environmentally friendly biodegradable materials and alternative washing techniques in denim and textiles are supported by scientific research.

In addition, knowledge sharing and talent development are encouraged through panels and trainings organized to contribute to the development of young designers.

### **STRUTEX 2024**

As part of our sustainability vision at Taypa, we developed a project titled "Development of Alternative Materials for Stone Washing Processes in Denim Production", which was presented to international stakeholders at the STRUTEX 2024 scientific congress held in Liberec, Czech Republic.

This project introduces an innovative approach aimed at reducing environmental impact in denim manufacturing processes. The method focuses on minimizing water consumption and improving process efficiency. The initiative represents a significant step toward strengthening sustainable practices within the textile industry.



# **R&D AND INNOVATION**

### **Durable Alternative Stone Project**

Taypa has implemented the Alternative Durable Stone Project to eliminate the environmental and operational drawbacks caused by conventional pumice stone. Produced from recycled materials, the Alternative Durable Stone can be reused in over 100 wash cycles, reducing natural resource consumption. At the end of its lifecycle, it can be repurposed through upcycling processes, further extending its value. This approach significantly reduces both waste generation and environmental impact.

The innovative physical structure of the Alternative Durable Stone extends the lifecycle of denim fabrics by preserving their durability, while preventing re-dyeing issues as it does not absorb chemicals. This feature contributes to a more sustainable production process by reducing both water and chemical consumption in washing operations. The project aligns with circular economy principles and offers a tangible solution for reducing environmental impacts.

Key sustainability contributions of the project include:

- A long-lasting production model with over 100 reuse cycles
- Resource savings through the use of recycled materials
- Upcycling opportunities at the end of its lifecycle
- Enhanced product quality by preserving denim durability





### **Hanger Production System**

In our Silivri and Bolu factories, a hanger transport system ensures a more organized, traceable, and efficient production flow. Denim pieces are placed on hangers linked to product data and automatically delivered to the required stations. This prevents mix-ups, enables digital tracking, ensures timely delivery to operators, and increases ergonomics and efficiency by reducing manual handling.

## CREATAY360°STUDIO

In 2020, Taypa, in collaboration with technology company Digitay, launched the Creatay 360 Studio project, guided by the 5F Philosophy focused on sustainability and digitalization.

Within this project, a specialized design team and advanced technological infrastructure develop customized digital designs and capsule collections for clients. Products are digitized using high-resolution images captured at every 10° angle, allowing them to be rotated 360° and presented in interactive formats.

This approach provides clients with a realistic preview experience, enabling them to examine products in detail without the need for physical prototypes. Another key component of Creatay 360 Studio is the Virtual Showroom, designed for clients unable to visit physical showrooms. Through this digital platform, users can virtually navigate the showroom environment and evaluate 3D and 360° visualized products in full detail.

As a tangible reflection of Taypa's digital transformation vision, Creatay 360 Studio supports a sustainable and innovative production approach in the fashion and textile industry.







Taypa and Sustainability

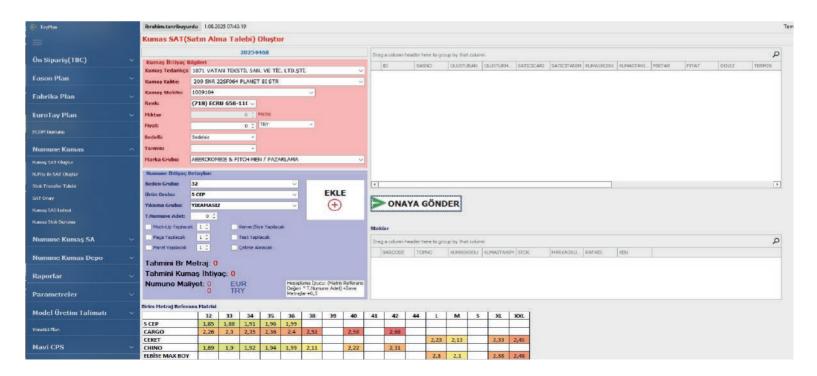
## DIGITALIZATION AND INFORMATION SECURITY

In 2024, Taypa accelerated its digital transformation with a focus on environmental and operational sustainability. Strengthened IT infrastructure fostered data-driven decision-making, while automation enhanced efficiency.

The highly integrated ERP system improved inventory management, production planning, and sales forecasting, supported by updated information security policies. Taypa also developed three key applications to optimize processes and boost efficiency.

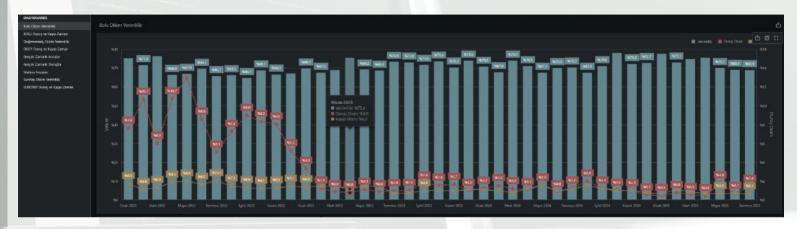
#### **TayPlan: Digital Production Planning And Optimization Application:**

Developed within DigiTAY and integrated with SAP/ERP, this software optimizes production planning and line management, reducing manual intervention. With smart planning templates, it eliminates reliance on Excel, while the fabric module digitalizes sampling, purchasing, demand calculation, and consumption tracking to prevent resource waste.



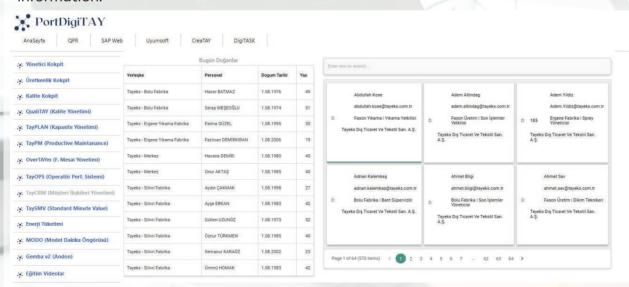
#### **DigiTAY Production Tracking Software**

Developed to reduce inefficiencies in Tayeks and subcontractors, this three-module system (Barcode Counting, Non-Loaded Product Classification, Repair Tracking) enables real-time product and performance monitoring through QR code-based counting. Digital recording and automated reporting of non-loaded products improve quality by up to 40%, while the repair module ensures quick identification and analysis of off-line items.



#### **PortDigiTAY**

A central digital platform used by Taypa and Tayeks employees in their daily operations. Designed as an intranet, it provides single-point access to ERP, performance management, CRM, HR, production dashboards, and quality analysis systems, while also offering training content to support fast and secure access to accurate information.



## SUSTAINABILITY APPROACH AND GOALS

While strengthening its position in the global textile industry, Taypa is redesigning all its business processes in alignment with sustainable development principles and adopting a growth model that creates long-term value for the future.

Taypa's sustainability strategy;

"The management of renewable, reusable and recyclable resources and investing in the digital transformation."

In line with its sustainability strategy, Taypa has been transparently disclosing its goals under seven main pillars since 2020.

These targets are aligned with the United Nations Sustainable Development Goals (SDGs) and enable the company to systematically manage its environmental, social, and governance (ESG) impacts.

Taypa views sustainability not only within the scope of its internal operations but also as a lever to support supply chain development, inspire industry-wide transformation, and enhance long-term brand value through the projects it implements and reports.

As part of its sustainability roadmap, Taypa has committed to implementing 31 strategic projects under seven key focus areas, aligned with its 2022, 2025, and 2030 goals.

## Sustainability Goals

Improving Waste Management

Reducing Water Use

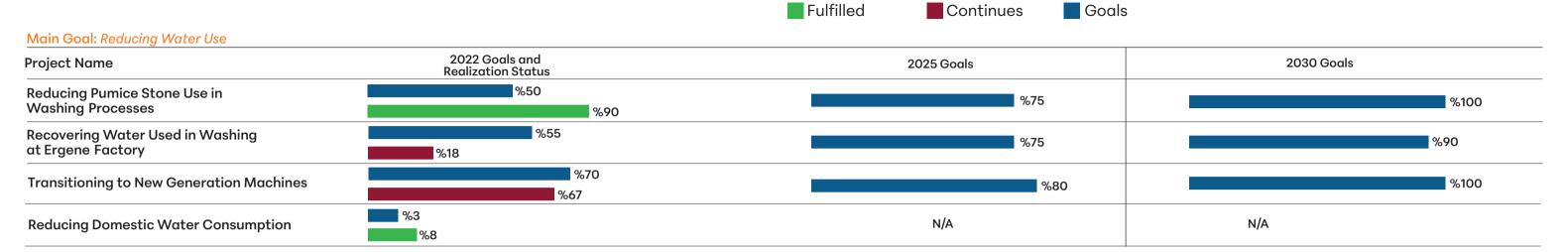
Creating Sustainable Supply Chain Management

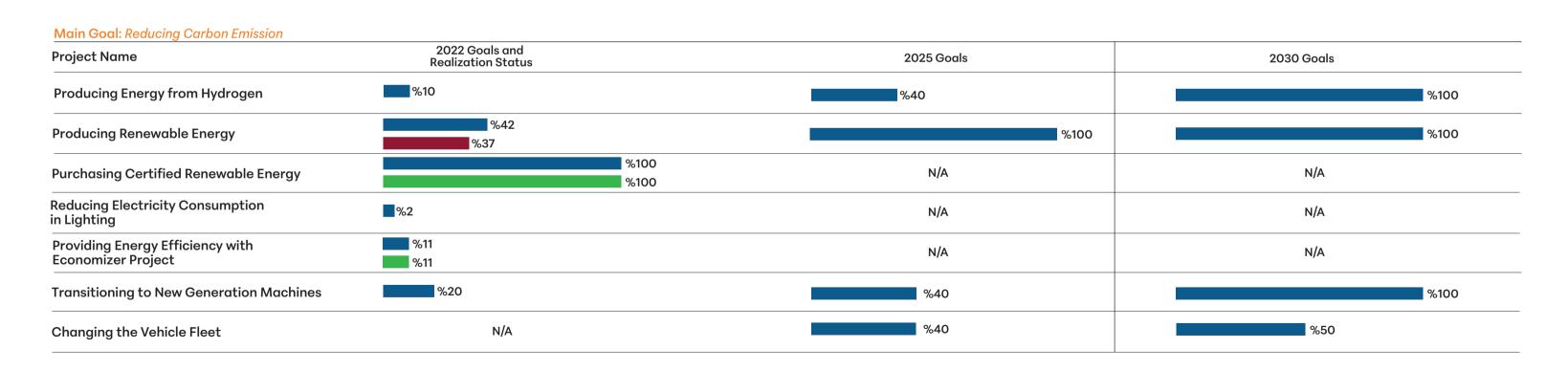
Reducing Carbon Emissions

Improving Chemical Management **Empowering Female Employees** 

Creating Sustainable Human Resources

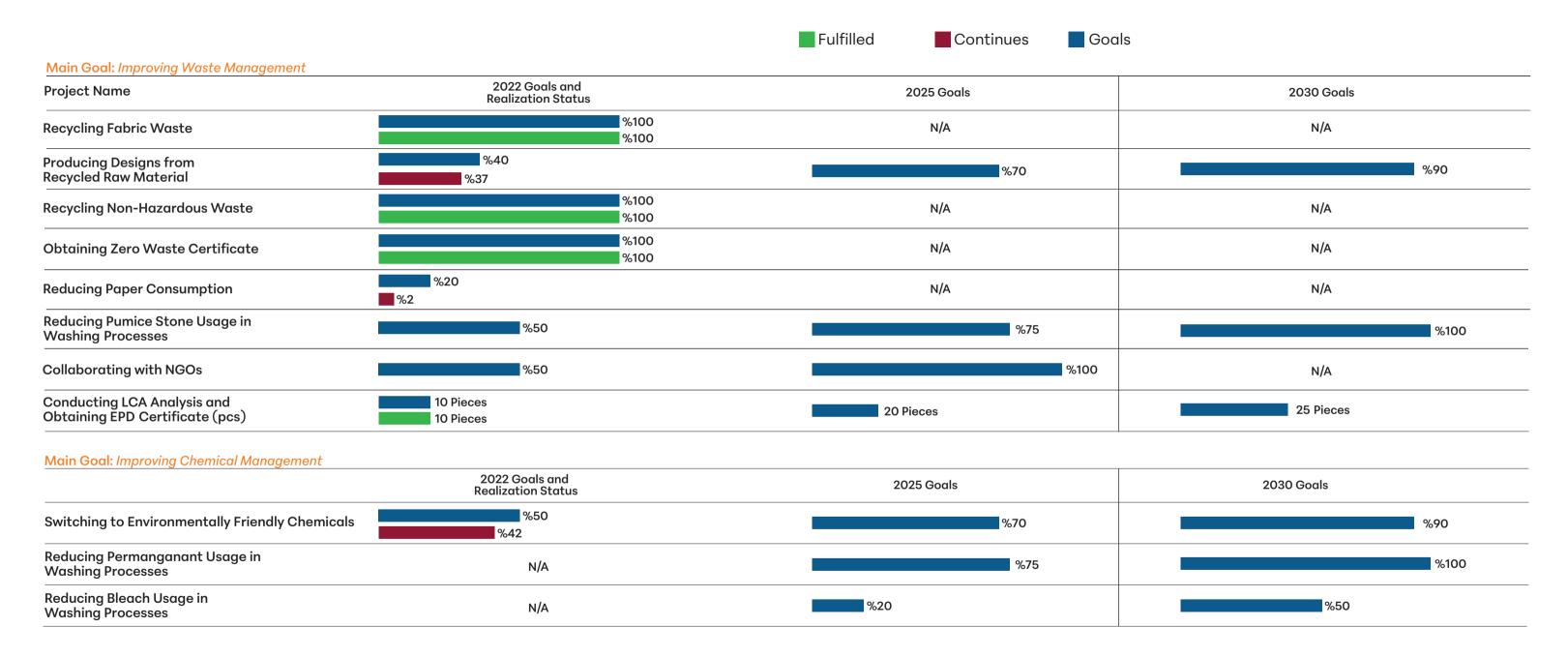
## SUSTAINABILITY APPROACH AND GOALS



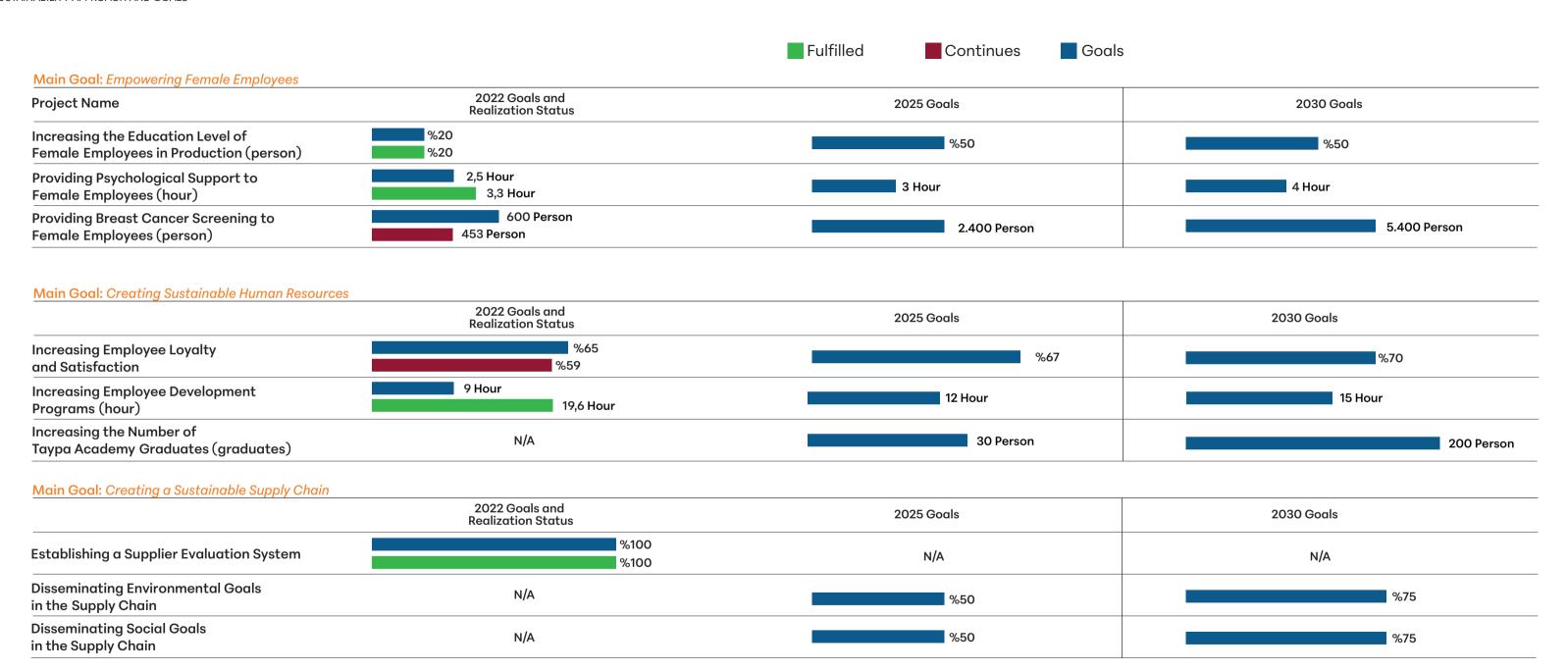


 $\underline{42}$ 

SUSTAINABILITY APPROACH AND GOALS



 $\underline{4}$ 4



<u>4</u>6

## FROM STRATEGY TO ACTION: **OUR SUSTAINABILITY ORGANIZATION**

Sales and **HR And Sustainability Design And** Marketing Director **P&D Director** Director **Sustainability Director** 

At Taypa, sustainability is not only a vision but also a strategic priority embedded across all operations through concrete actions. In line with this commitment, the Taypa Sustainability Committee was established in 2020 to ensure the effective integration of sustainability into all business processes and to monitor performance efficiently.

The Committee evaluates developments in social, environmental, and economic matters on a semi-annual basis, tracks the impacts achieved within the scope of the sustainability strategy, and updates targets when necessary. This governance structure plays a key role in ensuring that sustainability policies are effectively implemented across the company and translated into actionable outcomes.

Chairman **General Manager Deputy General Manager of Supply Chain** Production **Quality Assurance** Laundry Director Director Director **Ergene Laundry** Değirmenköy **Factory Manager Factory Manager Factory Manager** 

The Taypa Sustainability Committee addresses key priorities in 2024, including developments in the global climate crisis, trends in the textile industry, steps in renewable energy, review of targets, and monitoring of ongoing projects.

The Committee regularly reports its activities to the Chairman of the Board through the Company's General Manager. Strategic decisions related to sustainability are approved by the Board of Directors, and their implementation is carried out under the guidance of the General Manager by the Human Resources and Sustainability Director.

## MATERIALITY ANALYSIS: METHODOLOGICAL APPROACH

Taypa conducted its first prioritization analysis in 2020 to identify key sustainability topics aligned with its short-, medium-, and long-term strategies, and revised this analysis in 2022. The priorities identified through this comprehensive stakeholder engagement have remained relevant in 2024 and continue to form the foundation of Taypa's Sustainability Report.

During the analysis, an inclusive and up-to-date list of topics was developed by thoroughly examining industry trends, global mega trends, and developments in sustainability reporting frameworks. The Sustainability Committee led stakeholder mapping efforts across the value chain, while Taypa's Sustainability Team, senior management, and strategic department leaders collaborated to gather insights on critical goals and future strategies to incorporate into the analysis.

Following these efforts, surveys were distributed to stakeholders for evaluation. The collected ratings were consolidated to create a Prioritization Matrix, marking the completion of the analysis.

Taypa has maintained the prioritization outcomes established in 2022 throughout 2024 and commits to updating the analysis as needed in line with evolving operations and sectoral developments.



#### **ENVIRONMENTAL**

- 1.Transition to a Low Carbon Economy
- 2.Energy and Emission Management
- 3. Sustainable Design
- 4.Responsible Use of Raw Materials
- 5.Water Management
- 6.Waste Management and the Circular Economy
- 7. Environmental Compliance

#### SOCIAL

- 8.Diversity and Inclusion
  9.Employee Development and
- **Talent Management**
- 10.Employee Loyalty and Satisfaction
- 11.Gender Equality/Women's Empowerment
- 12.Local Employment
- 13.Human Rights and Working Conditions
- 14.Responsible Procurement/
  Supply Chain Management
- 15.Occupational Health and Safety
- 16.Social Development and Investments

#### **GOVERNANCE**

- 17.Corporate Governance
- 18.Economic Performance
- 19.Stakeholder Relations
- 20.Product Quality and Safety
- 21.Customer Satisfaction and Confidentiality
- 22.R&D and Innovation
- 23.Digitalization
- 24.Marketing and Labelling

#### **Materialty Matrix**



## ISTAKEHOLDER ENGAGEMENT AND COMMUNICATION

Taypa considers the expectations of its internal and external stakeholders when determining its business strategy and priorities, and evaluates the short-, medium-, and long-term impacts of its operations on these stakeholders.

Feedback from stakeholders plays a critical role in enabling the Company to better manage risks and opportunities. Internal stakeholders include the shareholder, the Board of Directors, and employees. External stakeholders consist of customers, suppliers, public and regulatory authorities, non-governmental organizations, financial institutions, the media, group companies, local communities, and local administrations.

Taypa places a strong emphasis on establishing open, regular, and constructive communication with all stakeholders, aiming to build trust-based relationships. Stakeholder engagement within the supply. production, and trade cycle provides a valuable feedback mechanism for accurately understanding demands, evaluating expectations, and taking appropriate actions.

Customers are at the core of Taypa's business processes. The Company continuously enhances both customer satisfaction and the added value of its products by taking customer feedback into account.



	Stakeholder Group	Communication Frequency	Communication Channels
Internal Stakeholders	Shareholder	General Meeting When necessary	Annual General Meetings
	<b>Board of Directors</b>	When necessary	Board of Directors meetings held in accordance with the Turkish Commercial Code
	Employees	Within the scope of the business cycle Daily	Recruitment process, training and development programs for employees, performance evaluation processes, internal communication activities, manager interviews and briefings, periodic strategy and target meetings, questionnaires
External Stakeholders	Customers	Within the scope of the production-trade cycle 24/7	Customer meetings and visits, trade exhibition platforms
	Suppliers	Within the scope of the supply cycle When necessary	The purchasing and logistics processes for raw materials, semi-finished and finished materials, services etc. supplied by the Company
	Public and regulatory institutions, organizations and NGOs	Within the scope of the business cycle When necessary	Reports, correspondence, meetings etc. in accordance with legislation or as required by collaborations
	Financial Institutions	Within the scope of the business cycle Daily	Meetings and interviews held daily, or when necessary, with institutions such as banks or insurance companies which constitute the financial system.
	Media	Within the scope of the business cycle When necessary	Press conferences, press releases, interviews, answering questions etc. Advertising and promotional activities Organizations such as fairs.
	Group companies	Within the scope of the business cycle When necessary	Meetings, presentations and daily communication activities
	Local communities and administrations	Within the scope of the business cycle When necessary	Corporate social responsibility projects, Donation and support activities Collaboration with local administrations and reporting.

## CORPORATE MEMBERSHIPS AND PARTICIPATION IN INITIATIVES

The Company collaborates with non-governmental organizations, associations, and industry platforms relevant to its field of activity, supporting these entities through both institutional memberships and active engagement.

Through the initiatives it supports and the platforms it takes part in, Taypa aims to manage its sustainability performance in a transparent, proactive, and effective manner.

#### Social Compliance Management

Taypa is committed to upholding human rights across its operations and ensuring fair and safe working conditions. In addition to customer-specific social compliance audits, the Company undergoes regular ICS (Initiative for Compliance and Sustainability) audits and participates in SLCP (Social & Labor Convergence Program) self assessments and verifications.



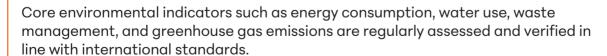






#### **Environmental Management**

Taypa monitors its environmental sustainability performance in a systematic and transparent manner through the Higg Facility Environmental Module (Higg FEM) platform.



The Company proactively shares these verified results with its customers, reinforcing environmental responsibility across the supply chain and promoting a culture of continuous improvement.









#### **Raw Material Management**

Taypa adopts responsible sourcing practices to minimize the environmental and social impacts of raw materials and ensure transparency across its supply chain.

The Company ensures full traceability from source to finished product through internationally recognized certification schemes, including the Organic Content Standard (OCS), Recycled Claim Standard (RCS), Global Recycled Standard (GRS), Global Organic Textile Standard (GOTS), and the Regenagri Content Standard.

As a member of the Better Cotton Initiative (BCI), Taypa also supports more sustainable cotton farming practices and contributes to the responsible sourcing of cotton.

















#### **Chemical Management**

Taypa prioritizes environmentally and socially responsible chemical management practices as part of its commitment to the Zero Discharge of Hazardous Chemicals (ZDHC) program. The Company conducts wastewater testing twice a year in accordance with ZDHC parameters, using accredited laboratories. The verified results are transparently disclosed via the ZDHC Gateway platform.

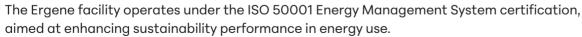


In addition, Taypa publishes monthly chemical usage reports through the CleanChain platform, ensuring effective chemical compliance and traceability across its supply chain.



#### **Management Systems**

Taypa's T&C facility in Egypt holds the WRAP Gold certification, which verifies compliance with international manufacturing and workplace safety standards, as well as the ISO 9001 Quality Management System certification.









**Corporate Memberships** 







Taypa generates added value for its stakeholders and the national economy through its operations. The company adopts the UN Sustainable Development Goals (SDGs)\*, which set out a broad sustainability guideline and include universal criteria for sustainability. Taypa directly contributes to 12 of the SDGs with the value it generates and shares within the service cycle.

#### **Material Issue**

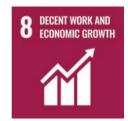
#### Taypa's Action

SDGs which Taypa Contributes to PRESENTATION

- Customer Satisfaction and Confidentiality
  - R&D and Innovation
    - Digitalization
  - Responsible Purchasing/ Supply Chain Management

Providing decent job opportunities and systematically contributing to economic growth in the context of its operations, Taypa adds value to the innovation and infrastructure of Turkish industry with its performance in the fields of R&D and innovation. At the same time, Taypa supports responsible production and consumption with the innovative projects it carries out.

Supply chain management at Taypa affects all core and support functions, starting from the production planning stage and continuing with the purchasing, logistics, production and distribution processes. Taypa aims to establish healthy relationships with its suppliers, and shapes its business plans with an understanding that reflects the positive impact of this healthy relationship to the entire supply chain.





#### Material Issue

#### Taypa's Action

#### SDGs which Taypa Contributes to

- ■Transition to a Low Carbon Economy
  - Energy and Emission Management
    - Sustainable Design
  - Responsible Use of Raw Materials
    - Water Management
    - Waste Management and the Circular Economy
    - Environmental Compliance

Sustainability in the textile sector is fundamentally based on reducing its environmental impact.

Taypa increases energy efficiency in order to minimize the negative impact of its business processes on the environment. It intensively carries out work on the responsible use of raw materials, waste management and water management.

### EVIRONMENTAL FOCUS









- Diversity and Inclusion
- Employee Development and Talent Management
- Employee Loyalty and Satisfaction
- Gender Equality/ Women's Empowerment
  - Local Employment
  - Human Rights and Working Conditions
    - Occupational Health and Safety
    - Social Development and Investments

Another cornerstone of sustainability in thetextile sector is the improvement of workingconditions, protection of human rights anddevelopment of local employment. Taypafocuses on providing its employees with theworking conditions they deserve with thepractices it implements, taking international standards into consideration.

The company supports both the professional and personal development of its employees by offering quality education and lifelong learning opportunities. Gender equality is another issue which Taypa attaches special importance and priority to.

#### **SOCIAL FOCUS**













## **RESPONSIBLE PRODUCTION**

Taypa adopts a responsible production approach with the aim of minimizing environmental impacts, using resources efficiently, and contributing to climate action throughout its manufacturing processes.

From the selection of certified sustainable raw materials to every stage of production, the Company ensures traceability and environmental compliance. To reduce the use of hazardous substances, Taypa performs wastewater testing in accordance with ZDHC criteria and transparently discloses results via the ZDHC Gateway. In addition, monthly chemical reporting is carried out on the CleanChain platform to ensure chemical transparency throughout the supply chain.

To improve energy efficiency and reduce carbon emissions, Taypa implements systematic energy management practices under the ISO 50001 standard. These efforts are further supported by investments in renewable energy, particularly solar power systems integrated into production facilities. A significant portion of the Company's energy needs is now met through clean, renewable sources—contributing to emissions reduction and a more resilient energy footprint.

Water stewardship, waste reduction, and recycling initiatives also form essential pillars of Taypa's responsible production strategy. All production processes are monitored in line with national and international standards, with a focus on continuous improvement in both quality and environmental performance.



#### THE TAYPA ENVIRONMENTAL MANAGEMENT POLICY



#### **Visionary Mission**

To be an innovative, agile, reliable and indispensable supplier of global clothing brands, which takes sustainability as a basis.



Within the scope of the Environmental Management Policy which Taypa established in line with the "Visionary Mission", the company aims to minimize the environmental impacts arising from its activities and create a positive impact, as well as achieving sustainable production.

Taypa has built its sustainability strategy on the management of renewable, reusable, and recyclable resources, alongside strategic investments in digital transformation. In line with this approach, the Company aims to enhance customer satisfaction, establish long-term partnerships, and reduce environmental impacts across its value chain.

While fully complying with applicable environmental legislation, Taypa regards environmental sustainability not only as a legal obligation but as a core corporate responsibility. In this context, the Company continuously reviews its environmental practices, identifies opportunities for improvement, and integrates innovative solutions to strengthen its environmental performance.



## PRODUCT QUALITY AND SAFETY

Taypa considers product quality and safety as one of its top priorities throughout its production processes. The Company's Quality Team conducts systematic quality control activities at every stage of production, including raw material inspection, in-process control, final inspection, and laboratory testing.

Taypa's in-house laboratory, accredited by Bureau Veritas, performs quality and compliance tests on fabrics, accessories, and raw materials from the design phase through all stages of production. For each shipment, test reports are requested from suppliers, and for fabric groups identified as high-risk, additional tests are carried out in the Company's laboratory.

In addition to internal quality assurance systems, customer feedback is regularly evaluated to support the continuous improvement of production processes. Fabric quality control is conducted using the internationally recognized Four Point System, while accessory verification is ensured via production automation software and approved trim cards.

By closely monitoring its sustainability performance throughout the production cycle, Taypa ensures that environmental protection, quality, and safety standards are integrated into each product with precision and care.

## SUSTAINABLE RAW MATERIAL MANAGEMENT

Sustainable raw material management forms one of the cornerstones of Taypa's environmental responsibility approach.

A significant portion of the textile industry's total environmental impact arises from the initial stage of the value chain—raw material sourcing. For this reason, Taypa aligns its raw material strategy with key global priorities such as climate change mitigation, water conservation, and the transition to a circular economy.

International policy frameworks such as the European Green Deal and the Circular Economy Action Plan are increasingly prioritizing the sustainable use of raw materials. In line with these developments, Taypa closely monitors global trends and prioritizes the sourcing of organic, recycled, and regenerative materials in its cotton supply chain—thereby reducing its corporate carbon footprint and building a more resilient and transparent supply chain.

In 2024, Taypa sourced 41% of its fabric supply from sustainably sourced raw materials, aiming to enhance sustainable resource use. This represents an 95% increase compared to the previous year.

The sustainable materials used include organic cotton, recycled fibers, and inputs derived from regenerative agricultural practices. Taypa ensures traceability and responsible sourcing through compliance with internationally recognized certification standards, including:

- GOTS, OCS, RCS, GRS,
- RegenagriCS
- As a member of the Better Cotton Initiative (BCI), Taypa supports more sustainable cotton production globally.

Through these certifications, Taypa ensures traceability from source to final product, while also managing associated environmental and social risks throughout its supply chain.

Taypa and Sustainability

Taypa closely monitors and manages chemical use within the framework of its Chemical Management System, in accordance with:

International standards, current legislation in Turkiye, industry norms, and customer expectations.

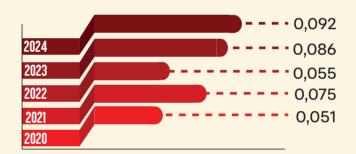
Aware that the intensive use of chemicals in the textile industry poses significant risks both to worker health and environmental sustainability, Taypa prioritizes this issue within its sustainability strategies.

The company aims to reduce the use of hazardous chemicals and continuously increase the share of eco-friendly chemicals through innovative technologies applied in its production processes.

#### **CHEMICALS USED PER PRODUCT (KG)**



#### ENVIRONMENTALLY FRIENDLY CHEMICALS USED PER PRODUCT (KG)



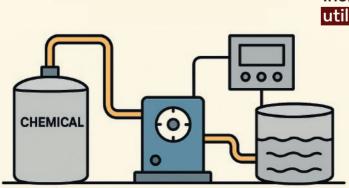
#### **Automatic Dosing System**

Taypa manages 78% of its chemical consumption through the Automatic Dosing System, which:

Reduces chemical consumption,

Saves energy,

Protects employee health.



Increases capacity utilization.

Strengthens process traceability.

#### **Chemical Management Practices**

#### **Chemical Approval Process:**

No chemical substance is allowed into the facility without Safety Data Sheets (SDS) and Technical Data Sheets (TDS).

#### **Compliance with International Standards:**

Taypa regularly monitors the prohibited and restricted chemical lists (MRSL/RSL) defined by the ZDHC (Zero Discharge of Hazardous Chemicals) initiative, applicable legislation, and customer-specific positive lists.

#### **Transparent Reporting and Traceability:**

Chemical usage data is reported monthly through the CleanChain platform, wastewater testing is conducted twice a year, and analysis results based on ZDHC parameters are shared on digital platforms.

Production recipes are scored via the EIM Score system, enabling traceability throughout all processes from design to the final product.

#### Sustainable Garment Dyeing Facility

In our garment dyeing facility is equipped with new-generation low liquor ratio (LR:1/3) machines for both sampling and production processes, aiming to minimize environmental impact. Through this technology:

- Chemical and dyestuff consumption has been reduced by 50%,
- Energy consumption has been reduced by 60%,
- Water consumption has been reduced by 60%.

The automated weighing, dye dissolving, and dosing system eliminates human-induced measurement and mixing errors, thereby reducing the need for additional processing to zero.

The Eliar telescope process monitoring system analyzes machine- and human-related errors for each batch. Corrective and preventive actions taken as a result of these analyses have eliminated unnecessary energy, chemical, and water consumption caused by such errors.

In the laboratory unit, the Datacolor spectrophotometer has increased the first-time right color achievement rate to over 80%, significantly reducing additional energy, water, and chemical use caused by repeated processes.

## SUSTAINABLE DESIGN AND **CIRCULAR FASHION APPROACH**

Taypa places sustainability and circular fashion at the core of its design processes. The company prioritizes the use of sustainable materials, water and energy efficiency, chemical management, and life cycle assessments throughout its production operations.

The design teams give priority to selecting fabrics and materials that meet sustainability criteria. By using environmentally friendly raw materials such as organic cotton and recycled fibers, Taypa not only reduces environmental impact but also maintains high quality standards.

This approach supports the conservation of natural resources and aligns with waste reduction targets. As part of the circular fashion strategy, Taypa aims to enhance the awareness of its design teams regarding sustainable design.

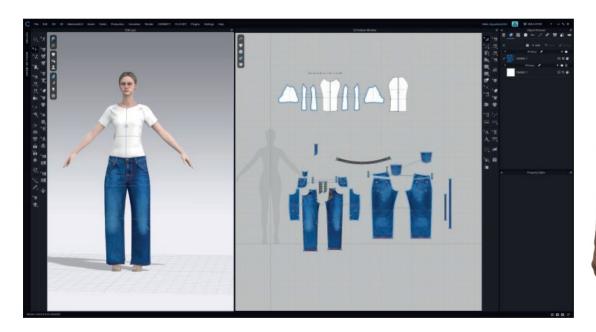
New-generation design and product development processes increasingly incorporate methods that focus on extending product life cycles and enabling recyclability by design.



#### Digitalization and Data-Driven Design

Taypa's design teams utilize AI-based trend analysis tools to better understand consumer preferences and develop more targeted, long-lasting products. Through data-driven insights drawn from broad data sets, the company prevents overproduction and promotes resource-efficient design strategies.

Additionally, with the establishment of a dedicated 3D Design team, Taypa significantly reduces the need for physical samples by developing three-dimensional digital prototypes. This reduces both lead time and material consumption. The digital transformation supports sustainability not only in production but also in the decision-making and design development stages.





## **ENERGY AND EMISSIONS MANAGEMENT**

The increasing frequency of climate-related events has once again underscored that environmental impacts are not merely risks, but urgent calls for collective action.

As Taypa, we are fully aware of the environmental impact of our energy-intensive operations and greenhouse gas emissions. In response to the escalating global climate crisis, our company has made energy and emissions management a core component of its sustainability strategy.

We are taking systematic and measurable steps to enhance energy efficiency, reduce our carbon footprint, and expand the use of renewable energy sources. In this context, we are implementing energy-saving improvement projects across our production processes, while decisively advancing the transition to renewable energy.

As of 2024, a significant portion of our energy consumption is sourced from renewable resources, leading to a meaningful reduction in our Scope 2 emissions. Taypa approaches energy management with a principle of continuous improvement and implements practices such as energy monitoring systems, investments in environmentally friendly technologies, and the adoption of low-carbon production models. Acting with a strong sense of responsibility in the face of the climate crisis, Taypa remains committed to transparently tracking, reporting, and sharing its emissions reduction targets with all stakeholders in the coming years.



Our Ergene facility holds the ISO 50001 certification, reflecting our commitment to internationally recognized energy management standards and continuous improvement.





## ENERGY AND EMISSIONS MANAGEMENT

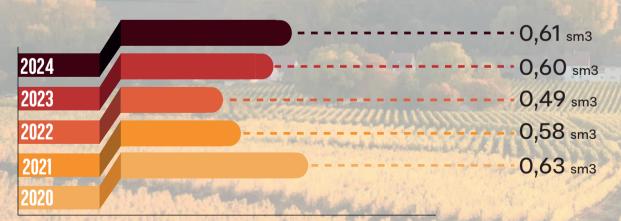
Taypa is taking decisive steps to enhance its energy and emissions management systems, aiming to increase reliance on renewable energy sources and reduce emissions.

#### **ELECTRICITY CONSUMPTION PER PRODUCT**

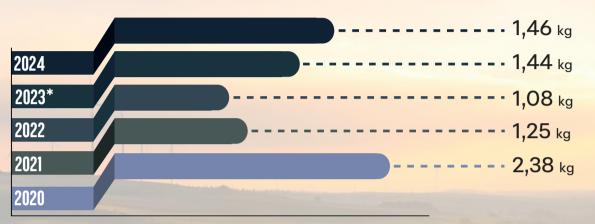


\*In 2023, the Garment Dyeing Process was put into operation in the Ergene factory.

#### NATURAL GAS CONSUMPTION PER PRODUCT



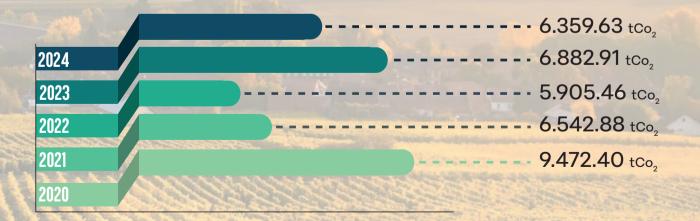
#### **CARBON EMISSIONS PER PRODUCT**



\*In 2023, the Garment Dyeing Process was put into operation in the Ergene factory.

Total carbon emissions decreased by 44% in 2024 compared to the 2018 base year.

#### **TOTAL CARBON EMISSIONS**



Presentation Taypa and Sustainability Environmental Focus Social Focus Governance Focus Appedia

## **ENERGY AND RENEWABLE ENERGY PROJECTS**



Taypa has a total installed capacity of 6.2 MW through 14,207 solar panels installed on the rooftops of all its production facilities. This capacity enables Taypa to meet approximately 70% of its total electricity consumption through solar energy, demonstrating a concrete step towards a transition to renewable energy sources.

#### **Investments in Renewable Energy Projects**

Taypa commenced its transition to renewable energy in 2021 at the Ergene facility and extended the process in 2022 through additional investments at the Bolu and Silivri facilities. As of today, a total of 14,207 solar panels have been installed, including 4,945 at Ergene, 4,507 at Bolu, and 4,755 at Silivri. These investments have enabled the company to expand its internal renewable energy generation capacity, supporting its commitment to reducing its carbon footprint.

With an installed renewable energy capacity of 6.2 MW, Taypa generated 4,574,360 kWh of electricity in 2024, covering more than 60% of the total energy demand of its factories through renewable sources.

This progress contributes significantly to Taypa's objectives of enhancing energy independence and reducing carbon emissions.



#### **Procured Renewable Energy Projects**

In addition to generating solar energy in-house, Taypa procures International Renewable Energy Certificates (I-REC) for all the electricity it purchases from the grid. By doing so, Taypa reinforces its commitment to reducing the carbon footprint of its operations and ensures that all electricity used across its facilities comes from renewable sources.

#### **Centralized Laser Cooling System Project**

As part of the Centralized Laser Cooling System Project implemented by Taypa, the existing water-cooling system used for laser machine cooling was replaced with an online system that enables the reuse of water from the washing process. Through this transformation, the electricity consumption for cooling laser machines was reduced from 177 kWh to 28 kWh, resulting in an 84% reduction in energy use. By integrating resources across processes, the project has enhanced energy efficiency while promoting more efficient use of resources.

#### Hot Steam Recovery Project

Instead of releasing the steam used in the drying process into the atmosphere, it is collected in a steam tank and reused in the washing process, heating systems, and for new steam generation. This recovery application has improved energy efficiency and resulted in a 12–14% reduction in natural gas consumption. By optimizing the intra-process energy cycle, the project contributes to more efficient use of resources.

#### **LED Lighting Conversion Project**

As part of the LED Lighting Conversion Project, Taypa upgraded the lighting systems across a total of 75,000 m<sup>2</sup> of indoor factory space to LED technology, achieving an annual electricity saving of approximately 585,000 kWh. This transformation not only enhances energy efficiency but also contributes to the reduction of greenhouse gas emissions associated with electricity consumption.

#### **Economizer Project**

Within the framework of the Economizer Project, approved by the Republic of Turkey Ministry of Energy and Natural Resources, Taypa recovers the waste heat from the flue gases of steam generators, which was previously released into the atmosphere, to heat the water used in the washing process. This system enables an annual natural gas saving of approximately 286,000 Sm<sup>3</sup> 11% and significantly improves energy efficiency.

#### Reduction of Natural Gas Consumption: Dryer Machine Revision

Dryer Machine Revision, implemented in 2024, replaced steam transfer in drying machines with natural gas burner systems. This eliminated losses caused by leaks and condensation in the steam lines, reducing drying costs by 30%. Expenses related to steam maintenance and repairs have been completely eliminated, and back-dyeing issues have been entirely prevented. The project has improved energy efficiency while significantly reducing occupational safety risks.

Presentation Taypa and Sustainability

## WATER MANAGEMENT

In line with its approach to the sustainable management of water resources, Taypa has been systematically investing for many years in technologies that reduce water consumption in washing processes.

#### **Water Management and Efficiency Practices**

Taypa develops long-term strategies focused on reducing water consumption and regularly monitors water usage across operations. Based on data analysis, the company takes necessary improvement actions, aiming for both resource conservation and cost optimization.

During the reporting period, Taypa's investments in laser technology, droplet washing technology, ozone technology, next-generation washing machines, and the piece dyeing process have led to:

- Total water consumption per product has been reduced by 34% compared to the 2018 baseline.
- Water consumption per product in the washing process has decreased by 45%.

Viewing water reuse and treatment as essential to sustainable water management, Taypa has taken the following actions:

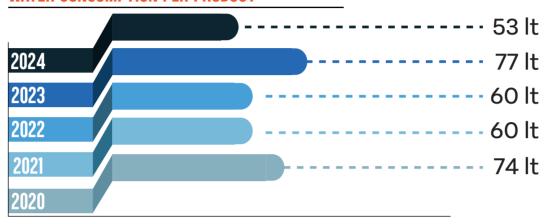
- Water recycling practices in the washing facility promote circular use.
- Water consumption and losses are minimized across all factories.

In 2021, Taypa commissioned a Wastewater Recycling Facility with a 55% recycling capacity. Subsequent upgrades were made to the biological treatment plant to further enhance its efficiency. As a result:

- Water from ultrafiltration is now directly used in the washing process.
- Water processed through reverse osmosis is used in the piece dyeing process, allowing it to operate 100% with recycled water.

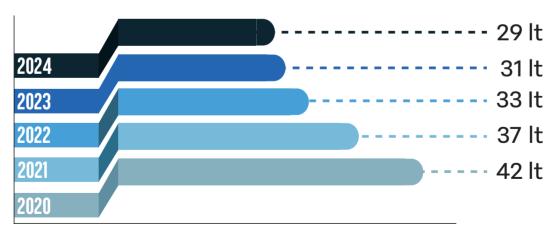
Through these efforts, Taypa has increased its total wastewater recycling capacity to

#### WATER CONSUMPTION PER PRODUCT\*



<sup>\*</sup>In 2023, a Piece Dyeing Facility was opened at the Ergene Washing Factory.

#### WATER USED PER PRODUCT IN THE WASHING PROCESS



Calculated and reported based on Higg FEM data verified by independent audit firms.

Note: Calculations are based on water usage and production units of our own factories located in Türkiye

Taypa has integrated widely adopted Ozone Technology into its production processes to reduce the environmental impact of achieving post-wash effects. By utilizing ozone through Metosense technology, the company has significantly reduced the need for conventional washing steps, resulting in notable savings in water and chemical use, energy consumption, and processing time. This implementation aligns with Taypa's goals of sustainable production and efficient resource management.



## LASER TECHNOLOGY

By increasing the use of laser technology, Taypa reduces its reliance on traditional water-intensive washing processes, leading to a significant reduction in water consumption. Laser applications allow for the creation of desired garment effects—especially in denim—without the need for water, contributing to both water efficiency and process optimization. The broader implementation of this technology supports Taypa's environmental sustainability goals.

# WATER EFFICIENCY THROUGH NEXT-GENERATION WASHING MACHINES

Taypa has expanded the use of next-generation washing machines in its washing operations to significantly reduce water consumption. These advanced machines enable high-efficiency processing with minimal water use, leading to a notable decrease in water usage per product.

This investment is part of Taypa's strategic commitment to environmental sustainability and resource efficiency.

resentation Taypa and Sustainability

**Environmental Focus** 

## WASTE MANAGEMENT AND ZERO WASTE APPROACH

Taypa aims to minimize waste at the source, maximize recovery through effective segregation, and manage waste streams in accordance with zero waste principles. The company develops practices to increase recycling and reuse rates and strives to contribute to the circular economy through responsible waste management.

#### Circular Economy and Waste Reduction Approach

In line with circular economy principles, Taypa recycles all textile, plastic, and paper waste generated from its production processes, reintegrating them back into the economy.

The company goes beyond limiting waste reduction to operational processes by aiming to create collections that incorporate fabrics containing its own production waste, thereby reinforcing its sustainable design approach. Taypa's Waste Reduction Projects contribute to environmental sustainability in the areas of resource efficiency, recycling, and innovative product development.

#### Stone Enzyme Project and Circular Practices in Denim Washing

Taypa has introduced the Stone Enzyme Project to substantially reduce the use of pumice stones, traditionally employed to create the stone-wash effect in denim processing. Through the application of environmentally friendly stone enzymes, the project has contributed to the reduction of natural resource consumption and minimized the generation of solid waste during washing operations.

Aligned with circular economy principles, Taypa also carries out a recovery initiative to return pumice sand waste from washing processes back into the economy through the cement industry. By repurposing pumice sand discharged from the wastewater treatment plant as a raw material in cement production, the company not only decreases the need for waste disposal but also strengthens resource efficiency.

Wastewater



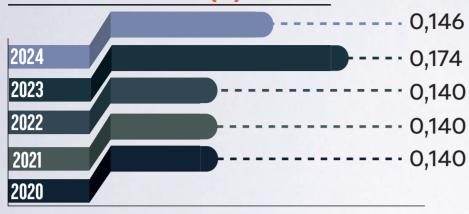
**Pumice Sludge** 



Cement

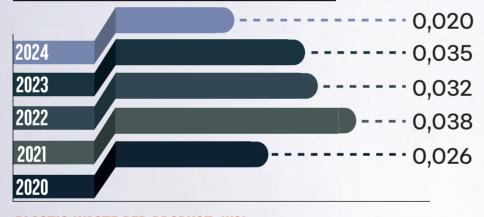


#### **TEXTILE WASTE PER PRODUCT (KG)**



By 2024, compared to the base year of 2018, the amount of plastic waste per product has decreased by 35% and the amount of paper waste has decreased by 38%.

#### PAPER WASTE PER PRODUCT (KG)



#### PLASTIC WASTE PER PRODUCT (KG)

	0,009
2024	0,007
2023	0,007
2022	0,009
2021	0,008
2020	



Taypa and Sustainability

# **HUMAN RESOURCES**

Taypa recognizes people as the core of sustainable success. The company acknowledges that it is not strategies alone that move an organization forward, but the energy, commitment, and value created by those who implement them. With this understanding, Taypa regards its human capital not only as part of production, but also as the strongest driver of change and progress.

Our top priority is to create a workplace where every individual can realize their full potential. We cultivate an inclusive culture where diverse perspectives are valued, every voice is heard, and continuous development is encouraged. Diversity is seen as a strength, and equal opportunity is not just a principle, but a daily practice.

Taypa is committed to becoming not only a leading global supplier, but also an employer of choice in the international arena. In pursuit of this vision, we:

- Foster a strong organizational culture that enhances employee engagement
- Digitize HR processes to ensure accessibility, transparency, and efficiency
- Invest in learning and development to build globally competitive competencies
- We prioritize a culture of feedback, cultivating an inclusive environment where every voice is valued and every idea is given the opportunity to be heard.

At Taypa, human resources is not just a department — it is the foundation of our sustainability journey.

#### **Our Vision for People & Culture**

We believe that a great workplace is defined not only by physical comfort, but also by an atmosphere of fairness, respect, and collaboration. With this in mind, Taypa shapes its human resources strategy around core values such as:

- Providing equal opportunities for all employees
- Ensuring fair and inclusive practices for both women and men
- Creating continuous learning opportunities to unlock talent
- Going beyond compliance to achieve excellence in occupational health and safety

From recruitment to career development, from compensation to performance management, every process at Taypa is designed to be transparent, inclusive, and based on merit. Because we know that the best outcomes are achieved in organizations where people are empowered to grow and thrive.

#### **Diversity, Inclusion & Equal Opportunity**

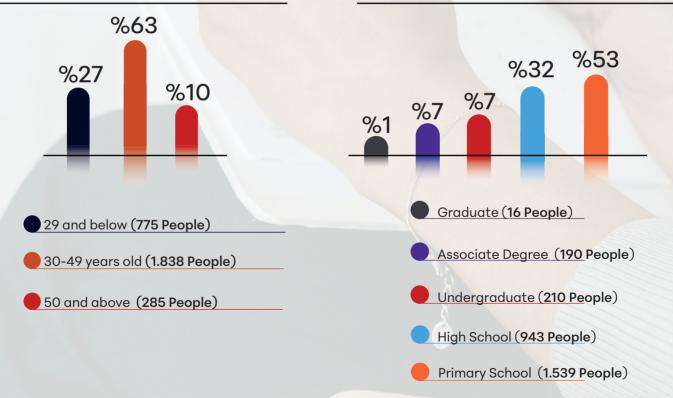
At Taypa, we are committed to fostering a diverse, inclusive, and equitable workplace where every individual is valued and treated with dignity. As part of our global sustainability journey, we see our employees not just as contributors, but as the essential driving force behind our long-term success.

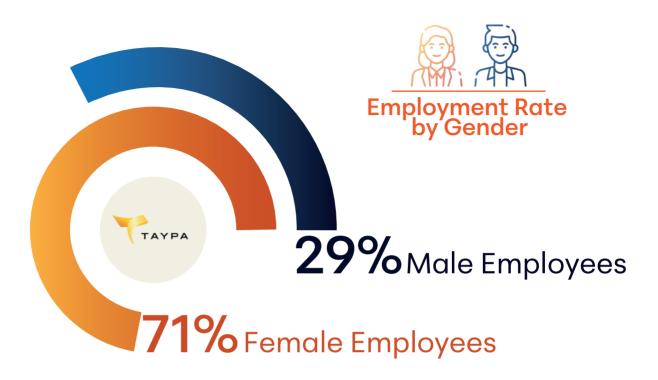
We believe that a respectful and safe working environment—free from all forms of discrimination—is a fundamental human right. That's why Taypa maintains a zero-tolerance policy against discrimination based on religion, language, ethnicity, gender, age, disability, political opinion, or any other personal characteristic. In all our human resources processes, we embrace the principles of fairness, transparency, and inclusion. Our commitment to equal pay for equal work is reflected in our compensation structure, which is built on role-based salary bands that prioritize equity and internal consistency.

We actively promote diversity and ensure that all employees—regardless of background—have equal access to growth opportunities, development programs, and fair evaluation systems. This inclusive approach helps us attract, retain, and empower talent that shares our values and shapes a better future together.

#### DISTRIBUTION OF TOTAL EMPLOYEES BY AGE GROUPS

### DISTRUBITION OF TOTAL EMPLOYEES BY EDUCATION LEVEL





#### **Empowerment of Women Employees and Gender Equality**

In line with the Sustainable Development Goals, Taypa adopts gender equality as a core corporate value; considering the empowerment of women in the workforce not only as an economic necessity but also as an indispensable element of social transformation.

In addition to supporting the economic independence of women employees, the development of their knowledge, skills, and leadership potential holds a priority position in Taypa's human resources policies. In this context, equal opportunities are provided to both female and male employees; fair, transparent, and inclusive practices are implemented in recruitment, training, career planning, and access to leadership positions. At Taypa, where increasing the representation of women in managerial positions is a key objective, the proportion of women in senior management (manager, director, and above) was 26% during the reporting period. In the same period, the overall proportion of women employees across the company was 71%.

These figures reflect Taypa's corporate culture that embraces diversity and serve as concrete evidence of the strategic human resources practices implemented to strengthen the representation of women in leadership roles.

#### Taypa Women's Empowerment Project

Taypa's long-term Women's Empowerment Project is further developed and implemented each year.

As part of the project, following consultations with local community leaders in Bolu and Istanbul Değirmenköy, the company has employed a total of 764 women from 47 villages. Women participating in the program are provided with various forms of support, ranging from literacy courses to childcare services.

# Taypa prioritizes and attaches importance to youth employment.

To contribute to youth employability, the company participates in "Career Days" organized at leading universities in Türkiye and conducts trainings, seminars, and webinars for undergraduate and graduate students, in addition to implementing internship programs.

#### Through its Trainee Programs,

Taypa provides career opportunities for newly graduated talents. In 2024, the company offered internship opportunities to a total of 37 students, including 29 high school students and 8 university students.

### **Other Support**

The company continued to provide free medical examinations, ultrasounds, and mammography screenings for its female employees over the age of 40 during the reporting period.

In 2024, a total of 225 employees benefited from this opportunity.



Presentation Taypa and Sustainability Environmental Focus **Social Focus** Governance Focus Apped

# EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT

Taypa aims to maintain a sustainable workforce profile that is proactive, result-oriented, skilled, and open to development and communication—viewing this as a core element of its long-term competitive advantage. At the heart of the company's human resources practices lies the continuous development of employee competencies, regular assessment of organizational climate, and dynamic adaptation of HR infrastructure in alignment with corporate strategies.

#### Taypa Academy,

In this context, Taypa Academy serves as a comprehensive learning and development platform designed to prepare employees for the future. The Academy provides ongoing support for employees' professional, personal, and social growth through structured development programs. Training content is created in collaboration with employees and managers, based on needs assessments, career planning, and performance review outcomes.

In addition, the Leadership Development Program aims to strengthen the managerial competencies of both current and potential leaders. Participants undergo a competency-based evaluation process, identifying strengths and areas for improvement, and are integrated into tailored development plans accordingly.

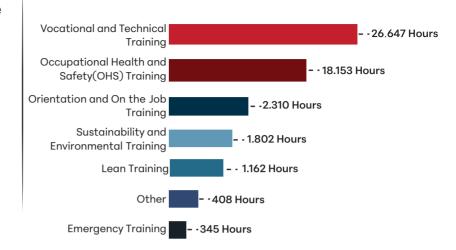
#### **Key Training Topics Delivered in 2024:**

- Vocational and technical skills training
- Occupational Health and Safety (OHS) training
- Sustainability and environmental awareness programs
- Onboarding and job orientation sessions
- Emergency preparedness and first aid training
- Personal development and soft skills workshops

Taypa is committed to fostering a company-wide culture of continuous learning and actively supports its employees in reaching their full potential—preparing today's workforce for tomorrow's challenges.

A total of **50,827 hours** of training were provided to **8,636 employees**.





#### Taypa Global Leadership Profile and Career Development Approach

Taypa encourages structured development processes that enable employees to unlock their individual potential and achieve their career goals. In line with this approach, career planning and performance evaluations are designed to align with Taypa's strategic objectives.

To identify and develop the talents that will shape Taypa's future, performance evaluation processes are carried out within the framework of the Taypa Global Leadership Profile. This profile provides a comprehensive assessment system that considers employees' competencies, leadership potential, and strategic contributions holistically.

One of the company's core objectives is to primarily fill senior management positions through internal resources. In this context, employees demonstrating leadership potential are analyzed through the 9Box Evaluation System, and their individual development areas are systematically monitored. Through development programs designed for potential leaders, employees are prepared for critical future roles, thereby supporting a sustainable leadership structure within the organization.

### **Functional Competencies**

We manage our work efficiently, organize and plan effectively, are results-oriented, adhere to rules, and focus on solutions.

### **Managerial Competencies**

We develop our team, support their initiative, lead by example, and encourage team performance.



### **Core Competencies**

We develop ourselves, Work proactively, Are success-oriented, Open to learning and growth, Manage stress, Manage time effectively, Solve problems.

Collaboration competencies, We work as a team and collaborate, Show respect and empathy, Manage conflicts, Influence and persuade effectively.

### **Key Production Employees**

Performance evaluations for Taypa's production employees, who serve as the driving force behind the company's performance, are conducted through a Productivity-Based Scorecard. Employee performance is monitored in real time and daily, and the value they generate is recognized and rewarded.

Performance evaluations for senior management are conducted monthly based on Key Performance Indicators (KPIs).

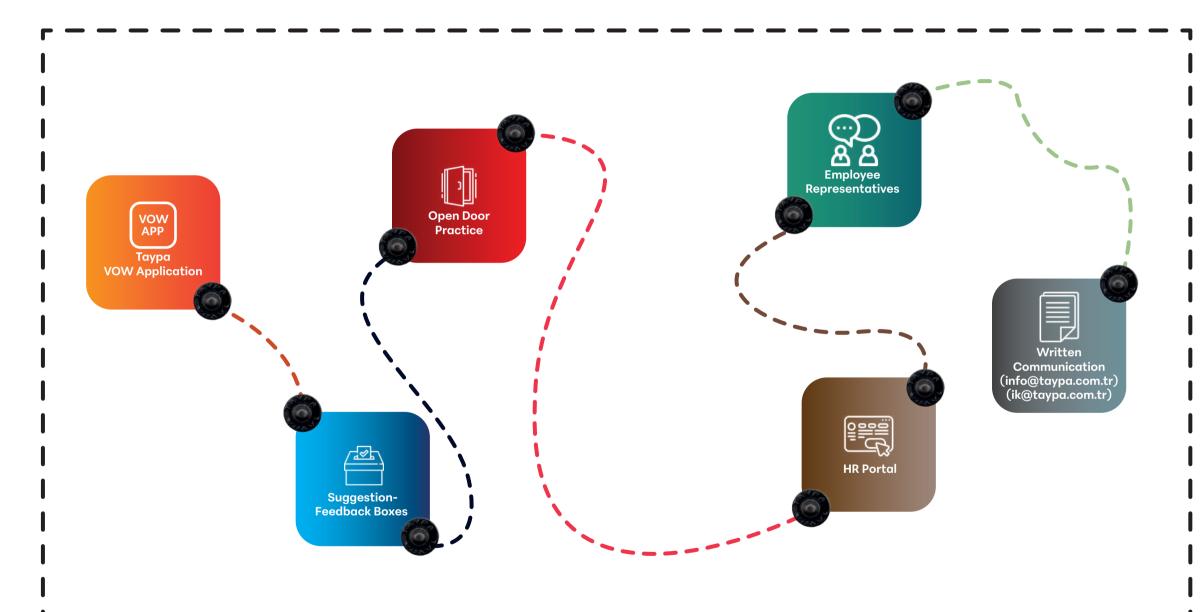
### **Employee Satisfaction**

Taypa implements initiatives aimed at employee well-being, such as reward systems, fringe benefits, and social activities, to enhance motivation and satisfaction while considering work-life balance. Social, cultural, and sports activities are organized in which employees can actively participate to strengthen communication and collaboration among staff.

In addition, Taypa provides online Pilates classes to support employees' physical health. The company strives to foster a participatory and open communication culture that allows employees to express their ideas and suggestions effectively.

In line with this approach, Taypa utilizes the VOW Voice of Employees platform, suggestion and feedback boxes, employee representatives, the HR portal, and monthly communication meetings.

All feedback is monitored and evaluated to inform action plans. The feedback mechanisms offer employees flexible and diverse options for submitting their input.



At Taypa, any potential mistreatment, including violations of human rights and instances of workplace bullying, is reported through established communication channels, and necessary actions are implemented promptly.

No such cases were recorded at the company in 2024.

Taypa provides all employees with transportation and meal services adapted to their shift schedules.

In addition, various additional social benefits and support are offered to protected or disadvantaged groups, such as pregnant employees or employees with disabilities. Presentation Taypa and Sustainability

# OCCUPATIONAL HEALTH AND SAFETY (OHS)

The health and safety of our employees are among the core priorities of our company. Adopting an approach that aims to continuously enhance our Occupational Health and Safety (OHS) culture, we implement proactive practices that go beyond legal requirements.

In addition to health screenings conducted during the recruitment process, periodic medical check-ups are provided. Female employees over the age of 40 are offered free breast ultrasound and mammography screenings.

#### **Our OHS Management Approach**

The management of occupational health and safety at our company is carried out within the framework of national legislation and procedures developed in line with the GRI 403 standard. Across all our locations, we work with OHS professionals and adopt a risk-based approach supported by continuous improvement cycles.

#### **Risk Assessment and Preventive Actions**

Risk assessment studies are conducted every six months to identify potential hazards, and appropriate preventive and corrective actions are planned accordingly. Chemical exposure, ergonomics, and fire safety are among the prioritized risk areas.

#### **Training and Awareness**

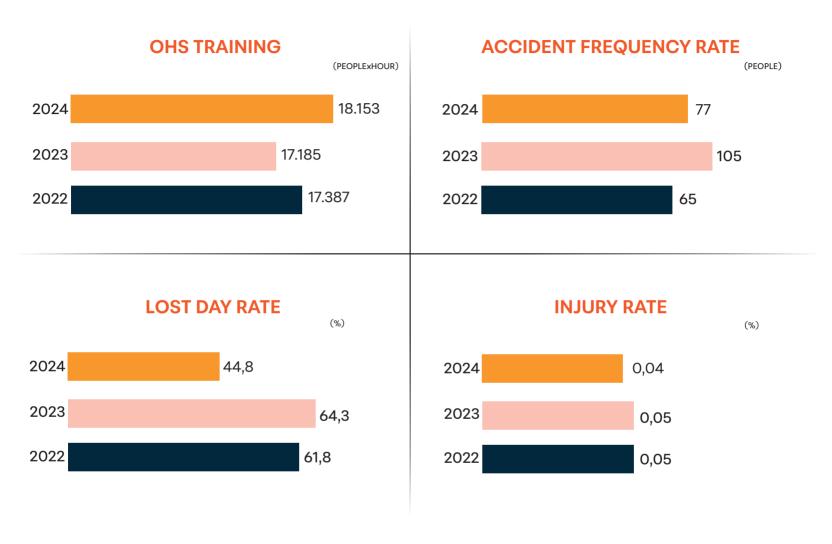
All employees receive OHS training both at onboarding and on a periodic basis. In 2024, a total of 18.153 hours of OHS training was delivered. Additionally, behavior-based safety awareness campaigns were carried out to encourage employee engagement.

#### **Employee Participation and Representation**

Employees actively participate in OHS processes through occupational health and safety committees and are encouraged to report risks via feedback mechanisms. Taypa has a total of 4 OHS Committees: 1 at the Headquarters and 1 at each production facility. The total number of committee members is 48, including 11 employee representatives. Committee meetings are held quarterly at the Headquarters and monthly at the factories.

#### Incident and Accident Data

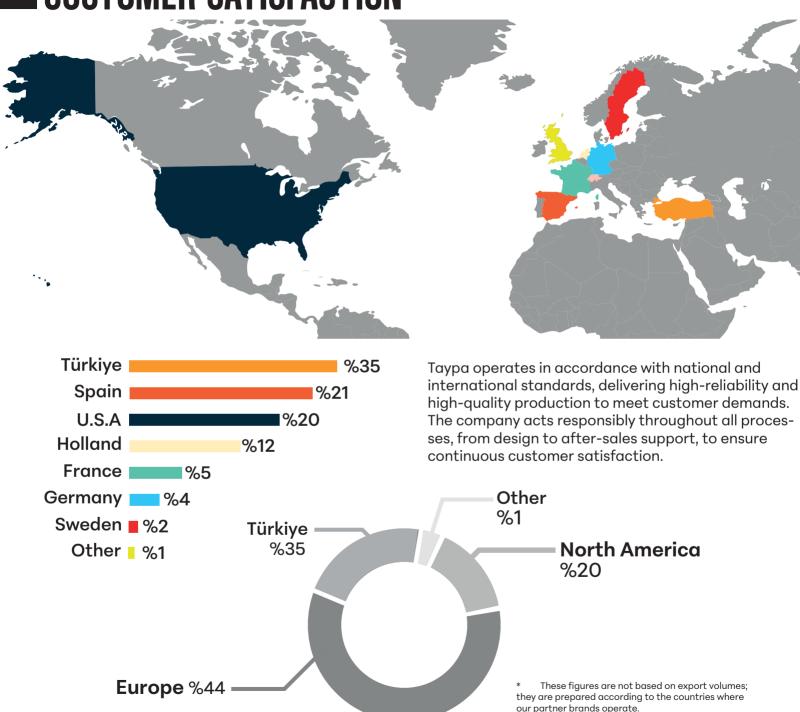
All workplace accidents are analyzed in detail, and preventive measures are implemented based on root cause analyses.



### **Disaster and Emergency Management**

Under emergency management, emergency response teams receive training every six months, and evacuation and firefighting drills are conducted. These trainings are supported by AFAD and BAKUT.

# **CUSTOMER SATISFACTION**







# Focus

We belive every customer is speciak and we focus on our work with all our departments while woking on our product.



## **Fast**

We are determined to produce the best, quickly.



# **Fashion**

As a fashion creator which goes beyond following fashion, we offer our customers special designs beyond their expectations.



# Friendly For a sustainable world,

For a sustainable world, we prioritize environmentally and socially sensitive production, long-term partnerships and friendships wit our stakeholders.



# **Flexible**

We offer flexible designer and product ranges, flexible production methods and locations that meet the expectations of our customer profile. Taypa and Sustainability

# SUPPLY CHAIN MANAGEMENT

#### Taypa evaluates its suppliers based on social and environmental compliance criteria.

As part of its goal to become a global leader in manufacturing, Taypa prioritizes supply chain management as a strategic focus area. The Company operates with a lifelong commitment to sustainability, aiming to embed sustainable practices throughout its entire value chain.

#### **Supplier Code of Conduct**

Supply chain management at Taypa is governed by the principles outlined in the Supplier Code of Conduct. This Code forms an integral part of contracts with suppliers and is binding for all supplier partners.

In supplier selection and evaluation processes, social and environmental audits and certifications (such as OCS, RCS, GOTS, GRS, RegenagriCS) are mandatory prerequisites. Material procurement includes sourcing raw materials (fabrics and accessories), chemicals, and consumables from abroad, while production services are sourced from multiple regions across Türkiye.

As of 2024, the Company works with a total of 400 suppliers, with the proportion of local suppliers at approximately 62%.

### **Supplied Material Groups in 2024**

Accessory

**Pieces** 255.853.094

Box 821.140 Length (Meters) 24.660.588

Fabric (Meters)

14.339.858

Chemical (kg)

3.280.008

#### **Supplier Audits and Compliance Management**

Taypa subjects its suppliers to thorough evaluations concerning social and environmental compliance. Audits are conducted by internal auditors, clients, and independent third-party audit firms.

Non-compliances identified during audits are documented and reported. Subsequently, Taypa supports suppliers in their improvement efforts through action plans. In cases of critical non-compliance where sufficient improvements are not achieved, Taypa reserves the right to terminate its business relationship with the relevant supplier.

#### **Social Compliance Audits**

Social compliance audits cover key areas including:

- Non-discrimination and Ethical Treatment.
- Child Labor
- Forced and Compulsory Labor
- Occupational Health and Safety (OHS)
- Freedom of Association
- Working Hours
- Wages and Compensation
- Human Resources Management
- Sustainability Management Systems

In addition, Taypa regularly conducts ICS social audits and SLCP (Social & Labor Convergence Program) self-assessments and verifications. Verified SLCP reports are shared with customers representing 95% of Taypa's production volume. During the reporting period, 100% of Taypa's suppliers underwent social compliance audits.

#### **Environmental Compliance Audits**

Environmental compliance is assessed through Higg FEM, ICS environmental audits, and client-specific environmental inspections. All wet-processing suppliers within the supply chain are subject to environmental audits. Verified Higg FEM reports are shared with customers accounting for 95% of Taypa's production volume.

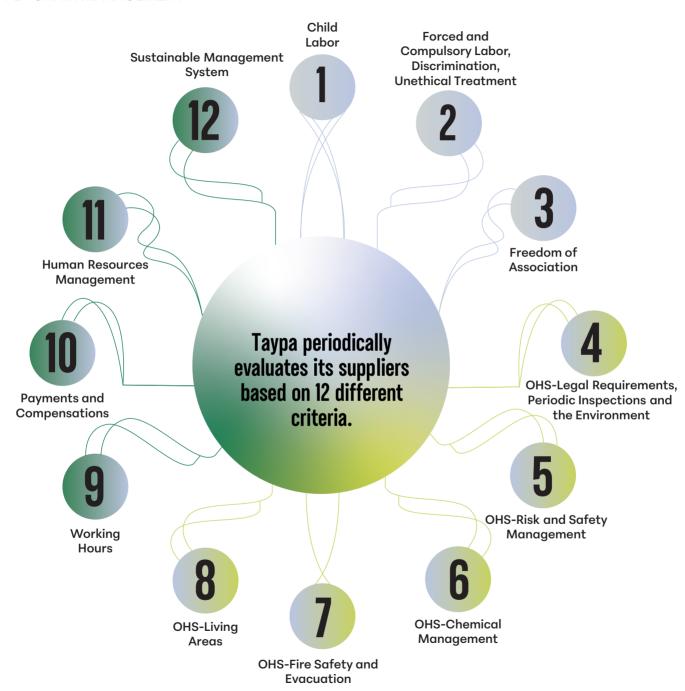
#### **Supplier Development and Training**

Taypa identifies training needs for supplier development and, where necessary, provides social and environmental compliance and certification training to supplier employees.

Taypa and Sustainability Environmental Focus

Social Focus

#### SUPPLY CHAIN MANAGEMENT



#### THE SUPPLIER RATING SYSTEM



#### **Raw Material Extraction**

Obtaining raw materials from soil, cotton or animals, growing cotton products, agriculture, animal husbandry, etc.



#### **Raw Material Production**

Production of materials that go directly into the finished product, yarn (extrusion, spinning, etc.), accessories (such as buttons, zippers or rivet strips), dye and other chemicals (such as ink, adhesive or resin), leather preparation (including tanning)



#### **Fabric Production**

Processes such as fabric knitting, weaving, bleaching, dyeing, finishing and washing.



#### **Product Production**

Assembly and production of final products, cutting, sewing, washing, item dyeing, embroidery, printing, quality control, ironing, packaging processes as well as home workers and hand working.

# **CORPORATE SOCIAL RESPONSIBILITY**

Taypa aims to channel the value it creates into social responsibility projects that address societal needs, thereby serving the community.

#### A PROFESSION FOR A FUTURE

In 2024, within the scope of a protocol signed with the Ministry of Family and Social Services, the "A Profession for a Future" project was launched. The project aims to provide vocational skills to girls aged 13–18 under state protection and care, support their personal development, and strengthen their participation in social life.

In line with modules approved by the Ministry of National Education, participants received both theoretical and practical training in areas such as garment design, basic sewing techniques, and the use of industrial machines. The program, which started in November 2024, reached a total of 75 girls on a rotational basis.

At the end of the training, the participants showcased the garments they designed and produced in a fashion show, thereby gaining the opportunity to reinforce their self-confidence, creativity, and vocational competencies.





#### SOLIDARITY THROUGH RECYCLING: TURNING WASTE INTO HOPE

In line with our sustainability goals, Taypa places great importance on projects that contribute to both the environment and society. Waste collection activities organized with the voluntary participation of our employees, combined with the blue cap and used battery projects, provided wheelchairs for individuals with disabilities in need. These initiatives strengthened both environmental awareness and social solidarity.



#### REMEMBERING OUR LITTLE FRIENDS ON WORLD STRAY ANIMAL DAY, APRIL 4

Guided by our sense of social responsibility, Taypa adopts a compassionate approach not only toward humans but toward all living beings.

On April 4, World Stray Animal Day, we visited the Beylikdüzü Animal Shelter and made food donations. This visit was meaningful and inspiring, highlighting the needs of animals living on the streets and drawing attention to improving their living conditions.



#### **ENHEDUANNA PROJECT**

Taypa was delighted to participate in the Enheduanna Project award ceremony, organized in collaboration with IED and Addu Design.

Supporting young designers and their creative projects is highly valuable to us. Designs inspired by the powerful women of Mesopotamia impressed us with their aesthetics and meaning. Being part of this inspiring platform gives hope for the future.

We will continue to support art and young talents.



#### WORLD CLEAN UP DAY

On International Coastal Cleanup Day, we were active in the field, reaffirming our responsibility toward nature.

Taypa emphasizes raising environmental awareness and participating in nature-respecting projects for a sustainable future.

Clean coasts mean a healthy future, and we remain committed to this path.

Taypa and Sustainability Environmental Focus

# CORPORATE GOVERNANCE APPROACH

Taypa's corporate governance approach is structured around the principles of reliability, reputation, resource efficiency, and minimizing environmental impact.

The Company is committed to creating long-term, sustainable value for all stakeholders.

The highest governance body of the Company is the Board of Directors, composed of three members. The roles of Chairperson of the Board and Chief Executive Officer (CEO) are held by separate individuals to ensure effective checks and balances within the governance structure.

The Board of Directors is supported by two sub-committees: the Risk Assessment Committee and the Internal Audit Committee. These committees operate to strengthen the governance system by overseeing the identification and mitigation of key risks and ensuring internal control mechanisms function effectively.

The General Assembly convenes every three years, during which the selection and assignment of governance roles and responsibilities are carried out.

Taypa adheres to a governance approach grounded in ethical principles and transparency, and continuously develops its policies and practices to prevent conflicts of interest.

### **Our Visionary Mission**

To be an innovative, agile, reliable and indispensable supplier of global clothing brands, which takes sustainability as a basis.

TAYPA

### Taypa's Value

### Honesty

Our high moral values and honesty are our greatest virtues.
Honesty constitutes the core value of our business.

### Confidentiality

The information of our employees, customers, suppliers and business partners is valuable to us.

We take the utmost care to protect it.

#### **Fairness**

We are fair and respectful to our employees, customers, suppliers, the environment, the law and all living things.

### **Positive Approach**

We see the good in every difficulty. Every difficulty we overcome makes us stronger.

### **Flexibility**

We are open to every idea with our flexible thinking system and rapid adaptation capability.

# **RISK MANAGEMENT**

Taypa considers risk management an integral part of its corporate culture and strategic decision-making processes. The Company's proactive approach to risk enables it to respond more effectively to dynamic market conditions and enhance long-term value creation for its stakeholders.

Within the scope of its corporate risk management practices, Taypa systematically identifies, assesses, and prioritizes risks and opportunities. The Company establishes necessary systems to manage these risks, implements appropriate mitigation strategies, and continuously monitors outcomes to ensure effectiveness. To preserve financial and operational integrity, Taypa promptly takes action to detect risks at an early stage and ensure effective management. Risks are analyzed by business units based on their likelihood and significance, and each risk is classified according to its severity level.

In addition to financial and operational risks, Taypa evaluates environmental and social risks and takes preventive measures to mitigate potential impacts. Through this holistic approach, the Company strengthens its resilience and aligns its risk management practices with sustainability principles.



## ETHICS AND COMPLIANCE

Taypa places great emphasis on conducting its business processes and operations in accordance with its corporate values, ethical principles, and applicable regulations. The Company fulfills its responsibilities to all stakeholders, especially its employees, in line with its adopted code of ethics.

As part of its ethical management approach, Taypa considers anti-corruption and anti-bribery to be among its core principles and applies a zero-tolerance policy. Risk-prone areas are identified, and appropriate internal control mechanisms are established accordingly.

Taypa's "Ethical Principles Procedure" covers topics such as ethical conduct, protection of company assets and confidential information, anti-bribery and anti-corruption, gift acceptance, non-discrimination and harassment, employee rights, and occupational health and safety. This procedure is shared with new employees during the orientation process. All employees are expected to uphold Taypa's values and comply with ethical standards.

Compliance with ethical rules is overseen by senior and middle management. Employees are encouraged to report any violations through established communication and grievance channels. In 2024, there were no reported cases of non-compliance with Taypa's ethical policies or principles.

Taypa extends its ethical expectations beyond internal operations, requiring key stakeholders in its value chain—particularly suppliers—to fully comply with the Company's code of ethics and related policies.



Presentation Taypa and Sustainability Environmental Focus Social Focus Governance Focus Appedices

#### **Ethical Reporting and Feedback Mechanisms**

Taypa values the input, suggestions, and feedback of both internal and external stakeholders as a vital component of corporate development. The evaluation and resolution of these inputs are conducted in accordance with the Company's "Communication and Feedback Procedure."

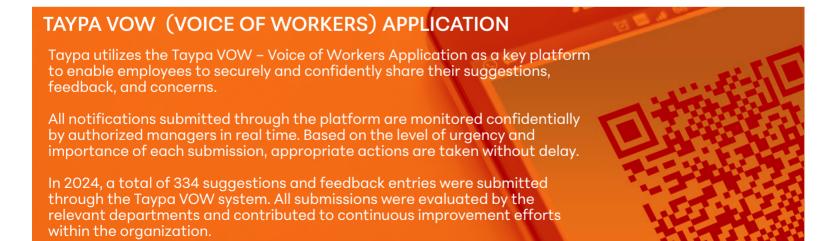
Employees may submit feedback through the following secure and accessible channels:

- VOW Voice of Workers Application
- Suggestion and Feedback Boxes
- Employee Representatives
- HR Portal
- Open Door Meetings

Feedback can be submitted anonymously or with names, and no negative action is taken against those who report concerns or act as intermediaries.

External stakeholders can also share their feedback via email at info@tayeks.com.tr or csr@taypa.com.tr, or by submitting written communication to the Human Resources Department, Factory Manager, or other relevant personnel.

Taypa ensures that all reports are handled with confidentiality, impartiality, and prompt resolution, in line with its commitment to ethical business practices.



#### **Ethical Responsibility and Internal Audit Mechanisms**

Taypa fulfills its responsibilities towards all stakeholders—primarily its employees—in line with the Company's adopted ethical principles and values. All suggestions and feedback submitted through internal channels are collected by the Human Resources Department and reviewed monthly by the Suggestion and Feedback Evaluation Committee.

The Committee prioritizes issues based on their significance and urgency, evaluates them accordingly, and communicates solution proposals in written form to the relevant stakeholders. Evaluation reports are compiled on a monthly and annual basis and presented to top management to support continuous corporate improvement.

#### **Internal Control and Audit Processes**

Internal audit activities at Taypa are conducted across four primary domains: Financial Audit, Social Compliance Audit, Environmental Audit, Certification Audits

#### Financial audits include:

- Assessing ERP system processes for compliance with generally accepted accounting principles (GAAP),
- Reviewing company assets and liabilities,
- Auditing income and expenditures associated with operational performance.

Risks and findings identified during audit activities are shared with the relevant departments, along with corresponding improvement recommendations.

#### Suggestion And Feedback Evaluation Board



# PERFORMANCE INDICATORS

	Social Performance Indicators		
	2022	2023	2024
Employee Demographics			
Total Number of Employees	3.230	2.817	2.898
Female	2.255	1.982	2.045
Male	975	835	853
Total Number of Employees by Contract Type	3.230	2.817	2.898
Permanent	3.217	2.817	2.898
Female	2.244	1.982	2.045
Male	973	835	853
Temporary	13	0	0
Female	11	0	0
Male	2	0	0
Total Number of Employees by Employment Type	3.230	2.817	2.898
Full-time	3.228	2.817	2.898
Female	2.253	1.982	2.045
Male	975	835	853
Part-time	2	0	0
Female	2	0	0
Male	0	O	0

	Social Performance Indicators		
	2022	2023	2024
Total Number of Employees by Education Status	3.230	2.817	2.898
Primary Education	1.714	1.526	1.539
High School	1.058	889	943
Associate Degree	204	176	190
University	242	211	210
Master's Degree	12	15	16
Total Number of Employees by Age Group	3.230	2.817	2.898
18-30	1.168	877	775
30-50	1.917	1.752	1.838
50 +	145	188	285
Senior Management Structure	41	39	49
By Gender			
Female	12	11	15
Male	29	28	34
By Age			
18-30	0	0	0
30-50	35	30	37
50 +	6	9	12

	Social	Performance Ind	icators
	2022	2023	2024
lumber of First Level Managers	72	70	65
y Gender			
emale	44	40	22
1ale	28	30	43
y Age Group			
3-30	8	6	1
0-50	63	62	52
0+	1	2	12
lumber of Disabled Employees	71	71	91
lumber of Intern University Students	0	13	11
lumber of Intern High School Students	13	34	25
lumber of Employees on Maternity and Paternity eave	103	128	72
emale emale	79	99	51
1ale	24	29	21
lumber of Employees Returning from Maternity and atternity Leave	66	48	34
emale	42	19	13
1ale	24	29	21
mployee Turnover			
mployee Turnover Rate (%)	61,4	64,8	63

	Social Performance Indicators		
	2022	2023	2024
Number of Newly Hired Employees	2.062	1.508	1.036
By Gender			
Female Temple	1.276	877	595
Male	786	631	441
By Age Group			
18-30	1.372	730	539
30-50	650	697	437
50+	40	81	60
Number of Employees Leaving	1.976	2.140	1.225
By Gender			
Female Temple	1.248	1.281	695
Male	728	859	530
By Age Group			
18-30	1.231	1.024	592
30-50	688	994	563
50+	57	122	70
Employee Development			
Employee Trainings-Number of Participants (person)	3.613	3.634	8.636
Employee Trainings-Total Hours (person*hour)	78.528	62.775	50.827

	Social Po	erformance India	cators
	2022	2023	2024
Average Training Hours per Employee	21,7	22,3	13
Female	21,8	19	13
Male	21,7	22	13
Number of Employees Given Regular Performance Appraisal Feedback*	2.195*	780**	710
Female	1.803	643	591
Male	392	137	119
OHS			
OHS Committee			
Number of OHS Committees Established	4	4	4
Total Number of Members in OHS Committees Established	42	47	48
Number of Employee Representatives in OHS Committees Established	12	10	11
OHS Trainings-Number of Participants (person)	2.750	3.171	2.640
OHS Trainings-Total Hours (person*hour)	17.386	17.185	18.153
Accident Frequency Rate	65	105	77
Injury Rate	0,05	0,05	0,04
Accident Severity Rate	2,51	2,60	1,53
Occupational Disease Rate (ODR)	0	0	0
Lost Day Rate (LDR)	0,0025	0,0026	0,0014

<sup>\*</sup> The Performance evaluation feedback for the years 2021-2022 was made for employees engaged in production. \*\* Data was given by taking the 12-month averages of the total number of employees.

	Social Performance Indicators					
	2022	2023	2024			
Absence Rate	0,0045	0,0033	0,0683			
Number of Work-Related Fatalities	1	0	0			
Direct Employment	1***	0	0			
Contractor Company Employees	0	0	0			
Number of People Working in Environments or Tasks with High Risk of Accident or Occupational Disease						
Direct Employment	163	150	11			
Contractor Company Employee	28	15	0			

<sup>\*\*\*</sup> As a result of a heart attack

	Environmental Performance Indicat		
	2022	2023	2024
Total Production Units	10.989.752	11.017.325	9.689.770
Factory Production Units	5.489.913	4.767.632	4.351.098
Energy Consumption			
Electricity (kWh)	10.411.005	10.836.496	10.581.772
Natural Gas (Sm3)	2.664.625	2.848.099	2.653.357
Electricity Consumption per Production Unit (kWh)	1,90	2,27	2,43
Natural Gas Consumption per Production Unit (Sm3)	0,49	0,60	0,61
Total Emissions (tCO2)	5.905,46	6.882,91	6.358.64
Emissions per Production Unit (kg CO2)	1,08	1,44	1,46

	Environ	mental Performa	nce Indicators
	2022	2023	2024
Water Consumption (m3)	330.239	368.408	229.705
Water Consumption per Production Unit (m3)	0,06	0,08	0,05
Chemical Usage (kg)	706.293	555.228	452.551
Environmentally Friendly Chemical (kg)	299.101	485.999	445.655
Waste (kg)	4.536.868	3.177.779	2.959.183
Textile	771.235	828.696	635.640
Paper/Cardboard	174.761	168.724	86.995
Plastic	36.262	32.114	40.058
Treatment Waste	3.554.610	2.148.245	2.196.490
Amount of Waste Generated per Production Unit (kg)	0,83	0,67	0,68

					0	ther Signific	ant Air E	missions* (
Location	co	NO	NO <sub>2</sub>	SO <sub>2</sub>	Toz	Voc	NO <sub>x</sub>	TOC
Ergene	0,834	0,46	0,31	0	0,05727	0,0251	0	0,3211
Bolu	0,063	0,31	0,115	0,28	0,073	0,0388	0	0
Silivri	0,0522	0,3018	0	0	0,002	0,0013	0	0,0032
Head Offic	e 0,0432	0,0959	0,0062	0	0,0006	0	0	0

CO: Carbon monoxide gases NO: Nitrogen monoxide gases NO2: Nitrogen dioxide gases SO2: Sulfur dioxide gases Dust: Particulates VOC: Volatile Organic Compounds NOx: Nitrogen oxide gases TOC: Total Organic Carbon TVOC: Total Volatile Organic Compounds

<sup>\*</sup>Refers to the mass flow rates of emission sources in kg/hour for the parameters specified in the table.

# **GRI CONTENT INDEX**

Statement Of Use

Taypa Tekstil Giyim San. ve Tic. A.Ş. has reported with reference to the GRI Standards for the period 01.01.2023-31.12.2023.

**GRI 1 Used** 

Applicable Gri Sector Standard(S) GRI 1: Foundation 2021

Sector Standard(S)	N/A				
GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER			
GENERAL DISCLOSUR	ES				
	Organization and Reporting Practices				
	2-1 Organizational details	About the Report, Page: 6-7 Corporate Profile, Page: 14-22			
	2-2 Entities included in the organization's sustainability reporting	About the Report, Page: 6-7			
GRI 2: GENERAL DISCLOSURES 2021	2-3 Reporting period, frequency and contact point	About the Report, Page: 6-7 Annually Contact Person: Seher Nilgün YAZKAN Sustainability Manager Tel: 90 (212) 866 13 00 E-Mail: nilgun.yazkan@tayeks.com.tr			
	2-4 Restatements of information	There is no restated information.			
	2-5 External assurance	No external assurance was received for the report.			
	Activities and Employees				
	2-6 Activities, value chain and other business relationships	Corporate Profile/About the Tay Group, Page: 14-22 Corporate Profile/Taypa in Brief, Page: 22			
	2-7 Employees	Human Resources, Page: 78-81 Social Performance Indicators, Page: 104-109			
	2-8 Workers who are not employees	Human Resources, Page: 78-81 Social Performance Indicators, Page: 104-109			
	Governance				
	2-9 Governance structure and composition	Corporate Governance Approach, Page: 98			
	2-10 Nomination and selection of the highest governance body	Corporate Governance Approach, Page: 98			
	2-11 Chair of the highest governance body	Corporate Governance Approach, Page:98			

GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER
GENERAL DISCLOSUR	ES	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Approach, Page: 98
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Approach, Page: 98
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Organization, Page: 48-49
GRI 2: GENERAL	2-15 Conflicts of interest	Employee Satisfaction, Page: 85-87 Code of Ethics and Compliance, Page: 103-105
DISCLOSURES 2021	2-16 Communication of critical concerns	Employee Satisfaction, Page: 85-87 Code of Ethics and Compliance, Page: 103-105
	2-17 Collective knowledge of the highest governance body	Corporate Governance Approach, Page: 98
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Approach, Page: 98
	2-19 Remuneration policies	Human Resources, Page: 78-81 The principle of "equal pay for equal work" is applied at Taypa.
	2-20 Process to determine remuneration	Human Resources, Page: 78-81 Inflation, minimum wage and market competition condition are taken into account in the remuneration determination process.
	2-21 Annual total compensation ratio	Human Resources, Page: 78-81
	Strategy, Policies and Practices	
	2-22 Statement on sustainable development strategy	Sustainability Approach and Goals, Page: 40-47 Sustainability Organization, Page: 48-49
	2-23 Policy commitments	Sustainability Approach and Goals, Page 40-47 Sustainability Organization, Page: 48-49 Corporate Governance Approach, Page: 98
	2-24 Embedding policy commitments	Sustainability Approach and Goals, Page 40-47 Sustainability Organization, Page: 48-49 Corporate Governance Approach, Page: 98
	2-25 Processes to remediate negative impacts	Risk Management, Page: 100 Code of Ethics and Compliance, Page: 101-103
	2-26 Mechanisms for seeking advice and raising concerns	Employee Satisfaction, Page: 85-87 Code of Ethics and Compliance, Page: 101-103
	2-27 Compliance with laws and regulations	Code of Ethics and Compliance, Page: 101-103

GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER
GENERAL DISCLOSUR	ES	
	2-28 Membership associations	Corporate Memberships and Supported Initiatives, Page: 54-55
	Stakeholder Engagement	
	2-29 Approach to stakeholder engagement	Stakeholder Relations, Page: 52-53
	2-30 Collective bargaining agreements	There is no collective bargaining agreement at Taypa.
MATERIAL TOPICS		
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	Sustainability Organization, Page: 48-49 Materiality Analysis, Page: 50-51
	3-2 List of material topics	Materiality Analysis, Page: 50-51 Economic Performance Corporate Governance Stakeholder Relations Human Rights and Working Conditions Local Employment Diversity and Inclusion Gender Equality/Women's Empowerment Employee Development and Talent Management Employee Loyalty and Satisfaction Occupational Health and Safety Customer Satisfaction and Confidentiality Marketing and Labelling Responsible Procurement /Supply Chain Management R&D and Innovation Digitalization Product Quality and Safety Responsible Use of Raw Materials Sustainable Design Transition to a Low Carbon Economy Management of Energy and Emissions Water Management Waste Management Vaste Management and the Circular Economy Environmental Compliance
ECONOMIC PERFORM	ANCE	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	Corporate Profile/About the Tay Group, Page: 14-22 Corporate Profile/Taypa in Brief, Page: 22 Key Indicators, Page: 30-31

GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability Approach and Goals, Page: 40-47 Risk Management, Page: 100
CORPORATE GOVERNA	ANCE	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51
GRI 205:	205-1 Operations assessed for risks related to corruption	Code of Ethics and Compliance, Page: 101-103
ANTICORRUPTION 2016	205-2 Communication and training about anti-corruption policies and procedures	Code of Ethics and Compliance, Page: 101-103
	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption during the reporting period.
STAKEHOLDER RELATIONS		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Stakeholder Relations, Page: 52-53
GRI 203: INDIRECT	203-1 Infrastructure investments and services supported	Corporate Social Responsibility, Page: 96-97
IMPACTS 2016	203-2 Significant indirect economic impacts	Corporate Social Responsibility, Page: 96-97
HUMAN RIGHTS AND	WORKING CONDITIONS	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	YMessage from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Human Resources, Page: 78-81
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There is no collective bargaining agreement at Taypa.
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	There is no child labor at Taypa.

Appedices

GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	There were no incidents of forced or compulsory labor during the reporting period.
GRI 410: SECURITY PRACTICES 2016	410-1 Security personnel trained in human rights policies or procedures	All security personnel have received the necessary legal training.
LOCAL EMPLOYMENT		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page:8-9 Message from the General Manager, Page:10-11 Materiality Analysis, Page: 50-51 Human Resources, Page: 78-81
GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016	411-1 Incidents of violations involving rights of indigenous peoples	There were no incidents of violations involving rights of indigenous peoples during the reporting period.
DIVERSITY AND INCLUS	GION	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Human Resources, Page: 78-81
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	Human Resources, Page: 78-81 SSocial Performance Indicators, Page: 104-109
	405-2 Ratio of basic salary and remuneration of women to men	At Taypa, there is no gender-based discrimination in base salary and wage determinations.
GRI 406: NONDISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	There were no incidents of discrimination during the reporting period.
GENDER EQUALITY/WO	DMEN'S EMPOWERMENT	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Human Resources, Page: 78-81
EMPLOYEE DEVELOPM	ENT AND TALENT MANAGEMENT	
GRI 3: ÖNCELİKLİ KONULAR 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Employee Development and Talent Management, Page: 78-81

GRI STANDARDI	DISCLOSURE	LOCATION/DIRECT ANSWER
	403-9 Work-related injuries	Social Performance Indicators, Page: 104-109
	403-10 Work-related ill health	Social Performance Indicators, Page: 104-109
CUSTOMER SATISFAC	CTION AND CONFIDENTIALITY	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Customer Satisfaction, Page: 90-91
GRI 418: CUSTOMER PRIVACY 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There are no substantiated complaints concerning breaches of customer privacy and losses of customer data during the reporting period
MARKETING AND LAB	ELING	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51
GRI 417: MARKETING AND LABELING 2016	417-1 Requirements for product and service information and labeling	Product labels are prepared within the framework of lega regulations and taking into account customer manuals.
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no incidents of non-compliance concerning product and service information and labeling during the reporting period.
	417-3 Incidents of noncompliance concerning marketing communications	There were no incidents of non-compliance concerning marketing communications during the reporting period.
RESPONSIBLE PURCH	ASING/SUPPLY CHAIN MANAGEMENT	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	YMessage from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Supply Chain Management, Page: 92-95
GRI 204: PROCUREMENT	204-1 Proportion of spending on local suppliers	Supply Chain Management, Page: 92-95
PRACTICES 2016  GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	Supply Chain Management, Page: 92-95

GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	Supply Chain Management, Page: 92-95
R&D AND INNOVATION		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 R&D and Innovation, Page: 34-36
DIGITALIZATION		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Digitalization and Information Security, Page: 38-39
PRODUCT QUALITY AN	D SAFETY	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Product Quality and Safety, Page: 60
416-1 ASSESSMENT OF THE HEALTH AND SAFETY IMPACTS	416-1 Assessment of the health and safety impacts of product and service categories	Product Quality and Safety, Page: 60
OF PRODUCT AND SERVICE CATEGORIES	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	There were no incidents of non-compliance concerning the health and safety impacts of products and services during the reporting period.
RESPONSIBLE USE OF R	AW MATERIALS	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Management of Raw Materials, Page: 61
SUSTAINABLE DESIGN		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Sustainable Design, Page: 64-65

GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER
ENERGY AND EMISSIO	N MANAGEMENT	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Management of Energy and Emissions, Page: 66-71 Waste Management, Page: 76-77
ENERGY AND EMISSIO	N MANAGEMENT	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Management of Energy and Emissions, Page: 66-71
GRI 302: ENERGY	302-1 Energy consumption within the organization	Management of Energy and Emissions, Page: 66-71
2016	302-3 Energy intensity	Environmental Performance Indicators, Page:109-110
	302-4 Reduction of energy consumption	Management of Energy and Emissions, Page: 66-71
	302-5 Reductions in energy requirements of products and services	Management of Energy and Emissions, Page: 66-71
GRI 305: EMISSIONS 2016	305-4 GHG emissions intensity	Environmental Performance Indicators, Page: 109-110
	305-5 Reduction of GHG emissions	Management of Energy and Emissions, Page: 66-71
WATER MANAGEMENT	r	
GRI 3: ÖNCELİKLİ KONULAR 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Water Management, Page: 72-75
GRI 303: SU VE ATIK SULAR 2018	303-1 Interactions with water as a shared resource	Water Management, Page: 72-75
	303-2 Management of water discharge-related impacts	Water Management, Page: 72-75
	303-5 Water consumption	Water Management, Page: 72-75 Environmental Performance Indicators, Page: 109-110

GRI STANDARD	DISCLOSURE	LOCATION/DIRECT ANSWER
WASTE MANAGEME	NT AND THE CIRCULAR ECONOMY	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Waste Management, Page: 76-77
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, Page: 76-77
	306-2 Management of significant waste-related impacts	Waste Management, Page: 76-77
	306-3 Waste generated	Waste Management, Page: 76-77 Environmental Performance Indicators, Page: 109-110
	306-5 Waste directed to disposal	Waste Management, Page: 76-77
ENVIRONMENTAL CO	DMPLIANCE	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Responsible Production, Page: 58 There were no penalties for non-compliance with environmental laws and regulations during the reportin period.
SOCIAL DEVELOPMEN	NT AND INVESTMENTS	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairman of the Board, Page: 8-9 Message from the General Manager, Page: 10-11 Materiality Analysis, Page: 50-51 Corporate Social Responsibility, Page: 96-97
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility, Page: 96-97
	413-2 Operations with significant actual and potential negative impacts on local communities	During the reporting period, the local employment rate was 99.9%. There were no operations with significant actual and potential negative impacts on local communities.

#### **LEGAL NOTICE**

Taypa Tekstil's partners, affiliates, consultants or employees cannot be held responsible in any way for any losses or damages that may occur directly or indirectly based on the information provided in the report, by referring to the information or due to information not included in the report.



This report was printed using FSC\*-certified and recycled paper.

\*FSC (Forest Stewardship Council) Certificate is a management system certification that aims to prevent bad forest policies, spread forest management systems and ensure that forests are managed correctly.







