



Corporate Sustainability Report

2025

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**Sustainability is
at the core of
our business.**

Report Scope



The Erateks 2025 Corporate Sustainability Report has been prepared to demonstrate that sustainability at Erateks is addressed not merely as a reporting obligation, but as a fundamental component of strategic decision-making, operational management, and corporate transformation. The report provides a holistic evaluation of Erateks' economic, environmental, and social impacts through a sustainability-driven, risk- and impact-based approach.



Shaped by the shared perspective of the Board of Directors, the Executive Committee, and the Corporate Sustainability Committee, the report clearly outlines Erateks' corporate governance structure, organizational transformation, vision and mission, Erateks Vision2030 targets, and its strategic alignment with the United Nations Sustainable Development Goals. The corporate sustainability organization, new office structure, and overall corporate approach reflect how sustainability is positioned, governed, and managed across the company.



Within the report, human rights, employee well-being, social performance indicators, employee satisfaction, feedback and grievance mechanisms, and social responsibility initiatives are addressed under the framework of the "Erateks & People" approach. From an environmental perspective, the report demonstrates how Erateks manages its environmental impacts through practices such as carbon footprint accounting and verification processes, energy efficiency initiatives, waste management and circularity efforts, climate change adaptation activities, CDP reporting, and similar practices.



Supply chain management, material and product management, quality and product testing processes, digitalization rates, certification and traceability practices are included as core components of Erateks' commitment to responsible production, transparency, and value chain integrity. Corporate governance practices, ethical principles, anti-bribery and anti-corruption efforts, data protection and information security practices, as well as ESG evaluation meetings, constitute the foundational elements supporting accountability and corporate discipline.



This report assesses Erateks' sustainability performance not solely through past results, but through the lens of continuous improvement, risk management, and long-term value creation. Together with its stakeholders, Erateks demonstrates its commitment to building a more resilient and sustainable future through a business model that places people at its core, upholds environmental responsibility, and is reinforced by strong governance principles.

Message from the Chairman of the Board and Executive Committee

Dear Stakeholders,

The year 2023 has been shaped by uncertainties in the global economy, geopolitical dynamics, and sustainable development, while also presenting significant opportunities for transformation. Energy security, the climate crisis, geopolitical conflicts, and the restructuring of global supply chains have deeply impacted the textile and apparel industry.

Today, global brands select their strategic partners not only based on product quality, but also on their carbon-neutral commitments, human rights performance, circular production capabilities, and supply chain resilience. Türkiye, with its strong industrial infrastructure, flexible manufacturing capacity, and proximity to Europe, continues to stand out as a key production hub throughout this transformation.

For Enstek, 2023 has been a year of restructuring, identity renewal, and sustainable growth aligned with this global transformation. Drawing on nearly 23 years of textile and apparel manufacturing experience, we completed a comprehensive corporate and identity transformation that prepares our organization for the future. We reshaped our operations around the principles of operational excellence, ethical responsibility, and environmental resilience. Sustainability remained the cornerstone of this transformation.

In 2023, 32% of our total electricity consumption was supplied through our solar energy (GES) investments, significantly reducing both our carbon footprint and our dependence on external energy sources. With the same determination, we remain committed to expanding our renewable energy investments in the coming years and meeting our total energy demand through clean energy sources. In addition, approximately 65% of the water used across our operations was obtained through snow and rainwater harvesting systems, reflecting a responsible resource management approach against the increasing pressure of climate change on water resources.

Alongside this environmental performance, our strategy of investing in people continued to strengthen.

By increasing our workforce by 21%, we created new employment opportunities while making tangible progress in women's participation in the workforce, the professional development of young employees, and our inclusion policies.

We also experienced significant milestones in our business partnerships. The revival of our collaboration with adidas, our long-standing strategic partnership with PUMA, and ongoing discussions with new global brands further strengthened Enstek's position as a reliable, innovative, and responsible manufacturer within the international manufacturing network.

Within our product portfolio, we increased both diversity and technical capability across the team sports, activewear, and sportstyle categories. The relocation and modernization of our Istanbul operations enhanced production efficiency and brought us one step closer to our operational excellence objectives.

Looking ahead, our priority at Enstek is to embed sustainability into our corporate culture and throughout the supply chain through the principles of transparency, just transition, resource efficiency, and shared value creation.

I would like to sincerely thank all our employees, business partners, and customers for their contributions to and belief in this journey.

Together, we are building a more sustainable, inclusive, and resilient future for the global textile and apparel industry.

Erhan Yatan
Chairman of the Board
and Executive
Committee



Message from the Head of Corporate Sustainability

Dear Stakeholders,

The year 2023 has been a challenging period for Türkiye's textile sector due to economic volatility, rising costs, and contraction in demand. Despite these conditions, we continued our sustainability efforts in a consistent and structured manner throughout the year. By achieving tangible progress across environmental performance, social compliance, traceability, and governance processes, we continued contributing to our sustainability objectives.

Through our Solar Energy System (SES) investments, we reduced electricity-related carbon emissions by 52% and neutralized our remaining electricity consumption through I-REC certificates. Our technical preparations to meet our total electricity demand through renewable energy sources continue. In addition, our water recovery systems enabled approximately 65% of our total water consumption to be supplied through recycled water resources.

The year 2023 was also a period in which environmental performance and certification processes were further strengthened. Our Higg-FDM verification score increased to 90%, while energy consumption analyses at both headquarters and factory level were further detailed under the ISO 50001 framework. In addition, our ISO certification for sustainable

cotton usage was successfully completed for the first time.

Through the expansion of Scope 3 categories within our seventh Corporate Carbon Report, we further strengthened our carbon management infrastructure.

In the area of social compliance, regular audits for PUMA were conducted, while the reactivation process initiated for adidas progressed in line with the planned timeline. Although overtime management remained one of the most challenging topics throughout the year, improvement plans were developed based on analyses carried out together with the relevant departments.

Within the scope of our employee support programs, our 10th salary practice continued, while more than 100 children and young people were supported through childcare assistance and university scholarships. Our UNICEF Platinum Membership and the solidarity marathon organized together with the Turkish Spastic Children's Foundation supported the continuation of our social contribution activities.

Within our supply chain processes, two new suppliers were integrated into the system, and our traceability data was expanded through the TrustTrace platform. In addition, with the addition of a new team member to our sustainability department, our departmental capacity increased by approximately 25%, enabling field data, certification, and reporting processes to be managed more effectively.

As part of our digitalization efforts, the Digital Product Library was implemented, while our corporate website and social media channels (Instagram and LinkedIn) were updated with a sustainability-focused structure.

We sincerely thank our Board of Directors, stakeholders, and all our team members who inspired and supported us throughout our sustainability journey in 2023. With the same determination and enthusiasm, we will continue our efforts in 2024.

Seda Tokar Özgür
Head of Corporate Sustainability



Erateks

Founded in 1992, Erateks Tekstil Sanayi ve Ticaret A.Ş. has positioned itself as a product development and strategic manufacturing partner for international brands operating in the sportswear industry. Erateks is an integrated supplier offering innovative solutions in fabric and accessory development as well as apparel manufacturing, built upon a culture of sustainable production.

At its 7,000 m² headquarters located in Başgöller, Istanbul, the company manages its administration, planning, product development, and partial production processes. The 17,000 m² integrated production facilities located in the Fatsa Organized Industrial Zone in Ordu encompass all stages of manufacturing, from cutting and sewing to printing and finishing processes.

Today, with more than 1,000 employees, international business partnerships, and its own brand Activera, Erateks carries out the sale and export of apparel products to many countries around the world.

Through continuous improvement efforts in areas such as energy efficiency, waste management, climate change mitigation, traceability, and decent work, Erateks integrates responsible production principles into all its operations.

Since its establishment, Erateks has been guided by the principles of quality, innovation, and sustainability. Together with its stakeholders, the company aims to create value while contributing to a fairer, more environmentally responsible, and resilient textile ecosystem.



Stepping into the Future with Our New Office

The year 2023 marked a new milestone for Erateks — not only in production and sustainability, but also in our corporate transformation journey.

As of April 2023, we relocated to our new headquarters in Istanbul, transforming our workspaces into a more innovative, efficient, and sustainable environment.

Located in Beşiktaş, our new office has been designed with a focus on energy efficiency, natural lighting, ergonomic workspaces, and an open-office concept that supports employee motivation. The new office environment includes collaborative areas that encourage open communication, flexzone spaces that foster creativity, and modular office layouts that strengthen interaction among departments. As a reflection of our sustainability approach, it represents an employee-friendly, modern, and innovation-oriented work culture. This relocation represents not only a physical transformation, but also an important step that

carries Erateks' corporate culture, digital transformation, and sustainability vision into the future.

Our new headquarters has enhanced operational efficiency by enabling all processes, from production to management, to be carried out within a more integrated structure.

At Erateks, we are proud to build a more flexible, dynamic, and creative working environment in this new era.





Corporate Transformation and Corporate Identity

The year 2023 marked a period of transformation for Erateks — not only physically, but also in terms of corporate identity.

In line with evolving industry dynamics, digitalization processes, and our sustainability-focused way of doing business, we repositioned the Erateks brand within a modern and contemporary framework aligned with today's requirements.

This process was designed with the goal of building a strong corporate structure aligned with international standards, supported by our long-term collaborations with global brands.

In collaboration with an agency possessing international vision and experience, our corporate culture, visual identity, and

communication language were comprehensively re-evaluated, enabling the Erateks brand to achieve a more consistent, simplified, and trustworthy corporate identity for both internal stakeholders and global business partners.

Through this collaboration, the following initiatives were implemented:

- A new logo, color palette, and typography system
- A renewed website and digital communication materials
- Updated corporate document, presentation, and report designs
- Digital business card applications

During the corporate identity renewal process, sustainability and aesthetics were evaluated through a holistic approach. A simple,

clear, and environmentally conscious design language was adopted across all communication materials, highlighting the reliable, innovative, and contemporary aspects of the Erateks brand.

A common communication language was established across all processes, from internal communication to stakeholder relations, strengthening the principles of unity and transparency.

With our renewed identity, we bring together the values of quality, trust, and sustainability that lie at the core of the Erateks brand, carrying our corporate presence into a more holistic and consistent structure. This transformation is summarized through three key concepts that reflect the spirit of the Erateks brand:

At Erateks, every step we take toward a sustainable future is built on innovation, responsibility, and ethical values. Our vision and mission serve as the guiding compass of this journey.

Vision

To be a trusted global partner in sustainable, innovative and high-expertise apparel development and manufacturing.

Mission

To develop and manufacture high-quality, reliable and high-performance apparel for our partners by integrating innovation, sustainability and operational excellence.



Highlights



We established the Lean, Production and Operational Excellence Unit, integrating operational improvement initiatives into a structured governance framework.

We relocated our headquarters to a more innovative working environment that fosters collaboration and enhances the employee experience.

WOMEN
(HUMAN) RESOURCES
DIVERSITY

By renewing our WEPs commitment, we further strengthened our corporate framework for gender equality and inclusion initiatives.

For the first time, we conducted a Living Wage calculation, creating a comparative benchmark for our compensation structure.



Through water and steam efficiency projects, we achieved energy savings of 530,000 kWh in 2023, resulting in an efficiency improvement of over 15%.



We developed an internal carbon accounting system by conducting monthly electricity-related emissions calculations across all departments and implemented an emissions reduction monitoring system.

We updated our digital needs models in alignment with our corporate identity and sustainability approach.

We initiated Life Cycle Assessment (LCA) studies for our product groups, establishing an environmental impact measurement framework covering the stages from raw material sourcing to production.

We continued our social responsibility projects through collaborations with civil society organizations.



By commissioning energy analysis at our Fatma Factory and Headquarters, we began digitally monitoring electricity consumption on a department and process basis, strengthening our data-driven energy management infrastructure and achieving over 90% operational monitoring efficiency.



We successfully completed the Better Cotton audit, strengthening traceability and sustainable raw material use within our cotton supply chain.

We resumed collaboration with the adidas Group, reinforcing our international brand portfolio.



By increasing the use of recycled and RE-FIBRE polyester fabrics by 26%, 64% of our total polyester procurement consisted of recycled content.

Board of Directors and Strategic Oversight

At Eratels, the Board of Directors serves as the highest decision-making body, defining the company's long-term strategic direction, shaping corporate priorities, and guiding overall organizational performance. Board meetings function as key platforms where growth strategies, operational efficiency, investment decisions, and risk management are evaluated in an integrated manner.

Within this framework, sustainability is not addressed as a standalone topic but is embedded into the broader corporate strategy and value creation approach. Environmental, social, and governance (ESG) considerations are integrated into Board-level discussions, particularly in relation to risk management, customer expectations, and international competitiveness.

Strategic directions defined by the Board are implemented across the organization and systematically monitored by relevant functions. This governance structure enables Eratels to maintain consistency in decision-making, respond effectively to evolving business conditions, and advance its sustainable growth objectives within a strong corporate governance framework.



Erhan Vatan
Chairman of the Board and Executive Committee

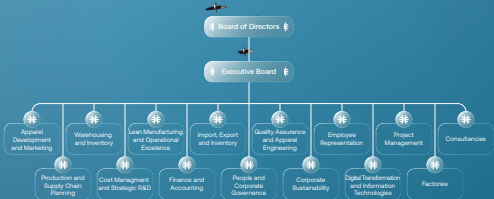


Özgür Karadeniz Vatan
Member of the Board of Directors



A. Fatih Tamay
Independent Member of the Board of Directors

Organizational Chart



Corporate Sustainability Department Organizational Chart



Our Brand: Activera

The story of Activera began with the search for activewear that feels lighter, freer, and more functional — designed for people striving to keep pace with the rhythm of modern life. Built on Enatek's long-standing manufacturing expertise, design capability, and technological strength, Activera emerged as a next-generation brand created to make everyday movement effortless.

The name Activera reflects the dynamic energy it aims to activate. Each product carries the feeling of lightness and comfort that enables free movement at any moment of the day. Whether running, navigating a fast-paced city schedule, or seeking simple comfort at home, Activera was designed to accompany the natural rhythm of daily life.

At the heart of this story lies Enatek's innovative and responsible production approach. High-quality materials, advanced manufacturing technologies, and a design philosophy centered on functionality are deeply embedded in Activera's DNA. As a result, the brand not only offers products that look and feel good, but also represents a conscious, modern, and sustainable lifestyle.

Today, Activera brings Enatek's innovation vision directly to consumers, carrying forward a story that reflects a more active, resilient, and sustainable way of living.





Alignment with the United Nations Sustainable Development Goals

Erateks recognizes the United Nations Sustainable Development Goals (SDGs) as a key global reference framework for sustainable development and develops its operations in alignment with these goals. As a manufacturing company, our impact emerges both through our direct operational activities and across our value chain.

Erateks' primary areas of direct impact are concentrated on Decent Work and Economic Growth (SDG 8), Responsible Consumption and Production (SDG 12), Climate Action (SDG 13), and Affordable and Clean Energy (SDG 7). Our employment structure, occupational health and safety practices, fair living

wage initiatives, and social compliance systems directly contribute to SDG 8. Renewable energy investments and energy efficiency projects demonstrate strong alignment with SDGs 7 and 13. Circular material use, waste reduction initiatives, and supply chain traceability reinforce our sustainable production approach under SDG 12.

Our policies on gender equality and our commitment as a Women's Empowerment Principles (WEPs) signatory strengthen our contribution to SDG 5. Digitalization and operational excellence initiatives also contribute to the development of sustainable industrial infrastructure under SDG 9.

Through employee training programs, equal opportunity practices, and stakeholder collaborations, Erateks also contributes indirectly to SDGs 4, 10, and 17.

Erateks approaches the SDGs not merely as a communication tool, but as a strategic framework guiding prioritization, risk management, and long-term value creation. We remain committed to continuously advancing our sustainability performance in alignment with these global goals.

Eratteks Vision2030

At Eratteks, we consider sustainability a fundamental component of our business model and remain committed to progressing toward measurable environmental, social, and governance (ESG) targets by 2030. Taking into account the textile industry's impacts on climate, resource use, and human rights, we aim to transform our production processes into a low-carbon, resource-efficient, and circular structure.

Our priority focus areas include climate action, energy and resource efficiency, employee health and well-being, and responsible supply chain management. In this context, renewable energy investments, sustainable material usage, and practices that support employee development are being implemented.

By integrating sustainability goals into all business processes, Eratteks aims to build a resilient, responsible, and long-lived value chain together with its stakeholders.

Environmental Sustainability Climate Change and Circularity

Combating climate change is a core priority of Eratteks' sustainability strategy. We implement initiatives to reduce greenhouse gas emissions across our operations and value chain while improving energy efficiency, expanding renewable energy use, and supporting low-carbon production processes. With a target of sourcing 100% of our electricity from renewable energy by 2030, we currently meet approximately 25% of our electricity consumption through solar energy. We also advance our climate goals through energy efficiency projects, resource optimisation, and practices supporting supplier carbon reduction efforts.

In line with our circular approach, we focus on recovering production waste, increasing recycled raw material use, and strengthening circular material and garment development criteria to reduce environmental impacts and improve resource efficiency throughout the product life cycle.

Social Sustainability Human Rights and Employee Well-being

At Eratteks, our social sustainability approach focuses on employee well-being, equal opportunities, and a safe working environment. Guided by our principles of human rights, diversity, and inclusion, we implement practices that support employee development. While maintaining our target of zero fatal occupational accidents, we continue to keep our lost-time injury rate below industry averages through training and awareness programs that strengthen our occupational health and safety culture.

To support employee engagement and development, we conduct regular engagement surveys and implement mentorship, training, and development programs that foster an inclusive corporate culture. In addition, Living Wage analyses are carried out to support a fair and balanced compensation structure.

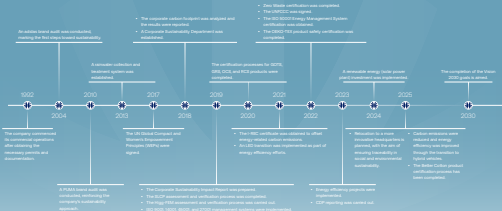
Corporate Governance Transparency and Accountability

Eratteks' sustainability approach extends beyond our own operations to promoting responsible production practices throughout our value chain. In this context, we collaborate with suppliers on environmental compliance, chemical management, and human rights.

To strengthen supplier processes, we implement capacity-building initiatives focused on MSGL compliance, air emissions management, and sustainable production practices. We also support the adoption of human rights principles, safe working conditions, and fair wage practices across our supply chain.

In line with this approach, we regularly measure and transparently share our sustainability performance with stakeholders, strengthening our corporate governance approach.

Sustainability Journey



Our Sustainability Priorities

In 2023, Eratels conducted a comprehensive Sustainability Prioritization (Materiality) Analysis to strengthen its sustainability strategy and systematically assess stakeholder expectations.

Within the scope of this analysis, the level of importance attributed to sustainability topics by both internal and external stakeholders was evaluated, and the common areas between Eratels' strategic focus and stakeholder expectations were identified.

The analysis incorporated the perspectives of a total of 51 stakeholders, including employees, suppliers, customers, and consultants. All stakeholder groups were presented with the same set of sustainability topics, and each topic was rated on a scale from 1 to 5 based on its level of importance. The resulting scores were analyzed across two dimensions — importance to Eratels (internal stakeholder perspective) and importance to stakeholders (external stakeholder perspective) — thereby clarifying the relative significance of each sustainability topic.

These topics represent the areas of highest importance for both the operational sustainability of our company and the trust we build with our stakeholders. Accordingly, these three topics have been positioned among the core priorities of our strategic efforts toward our Vision2030.

The overall results of the analysis indicate that Eratels stakeholders demonstrate a strong level of engagement with sustainability issues and hold particularly high expectations in the areas of environmental responsibility, social compliance, and ethical governance. In line with these expectations, the company will continue strengthening its actions aimed at improving sustainability performance, reducing risks, and providing more transparent information to its stakeholders.

As a result of this assessment, three common-critical topics emerged as having a high and closely aligned level of importance for both Eratels and its external stakeholders:

Eratels 4,46

Eratels 4,83

Eratels 4,29

Stakeholders 4,58

Stakeholders 4,85

Stakeholders 4,55

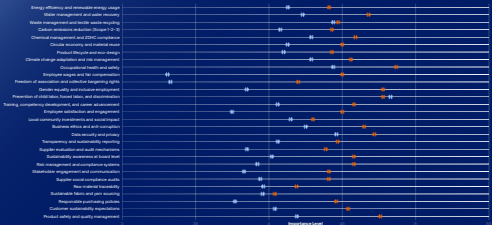
Waste management and the recovery and recycling of waste within circular systems

Decent work, with zero tolerance for forced labor and child labor

Climate change adaptation and risk management

Our Sustainability Priorities

 Erste Group

 Stakeholders


Sustainability Risk Analysis

At Eratteks, we manage our sustainability approach not only through performance indicators, but also through the holistic evaluation of potential risks and opportunities. Within this scope, our risk analysis studies enable the systematic identification of factors that may impact our operations across climate change, circularity, and social impact topics.

Our risk assessment process is regularly reviewed and updated in line with operational data, industry dynamics, and stakeholder expectations. Identified risks are analyzed based on their potential impacts on business continuity and sustainability objectives and are effectively managed through relevant action plans.

Eratteks considers risks not only as elements to be minimized, but also as opportunities for development and transformation. In this context, we adopt a proactive and data-driven management approach across all our processes.

	Risk Area	Description	Impact	Management Approach
Social	Compensation	Balancing expectations	Employee satisfaction	Policies reviewed
	Diversity	Implementation challenges	Culture impact	Training ongoing
	Health & Safety	Effectiveness risks	Operational impact	Systems improved
	Employee Engagement	Retention challenges	Productivity impact	Development programs
Climate	Energy Transition	Delays due to infrastructure and cost challenges	Slower emission reduction	Energy investments and alternatives evaluated
	Energy Efficiency	Projects not progressing as planned	Lower efficiency gains	Continuous monitoring and improvement
	Electrification	Operational challenges in EV transition	Delay in carbon reduction	Pilot projects ongoing
	Water Management	Operational adaptation gaps	Suboptimal water use	Water efficiency projects implemented
	Climate Adaptation	Need for improved preparedness	Operational risks	Action plans being developed
Circularity	Waste Management	Inefficiencies in recycling processes	Delay in targets	Continuous improvement
	Sustainable Materials	Supply challenges	Product impact	Supplier engagement
	Alternative Materials	Technical adaptation challenges	Slow innovation	R&D efforts ongoing
	Certification	Continuity risks	Compliance issues	Regular audits

Stakeholder Views

Ereteks has always been a pioneer in sustainability within the textile industry. As an innovative manufacturer, Ereteks is among the early adopters of textile-to-textile recycled PES (Polyester – Polyethylene Terephthalate) yarns, demonstrating its commitment to circular solutions. Its approach balances environmental responsibility with human-centered values, creating a positive impact at every stage of production.

Ereteks continues to lead through forward-thinking strategies that support a greener future. Its dedication to sustainable practices sets a strong example for the industry as a whole. I congratulate the entire Ereteks team for their inspiring efforts and continued leadership in driving meaningful change.

Merve Bolat

Senior Manager Sourcing Operations

Adidas



As Ulus Çevre, we are pleased to be a long-term stakeholder and business partner of Ereteks. The company's diligent fulfillment of its environmental responsibilities and its systematic approach to process management clearly demonstrate its commitment to sustainability. While fully complying with all applicable environmental legislation, Ereteks approaches these responsibilities not merely as legal obligations, but as part of a long-term strategy aimed at reducing its environmental impacts. Initiatives carried out in areas such as waste management, resource efficiency, and carbon footprint reduction support the effective implementation of Zero Waste principles.

To ensure the continuity of its environmental performance, Ereteks organizes environmental awareness trainings for its employees and monitors these processes through corporate systems. This approach contributes to establishing a holistic and sustainable environmental management culture. We are proud to be a stakeholder in Ereteks' efforts to further strengthen environmental awareness each year and support its continued commitment throughout its sustainability journey.

Rahsan Ulus

General Manager
Ulus Çevre



As DMD Tekstil Transfer Basic Sanayi ve Ticaret Ltd. Şti., we believe that sustainable and long-term growth is only possible through a strong commitment to sustainability. In this regard, we highly value that Ereteks has made environmental and social responsibility a natural part of its business approach.

The steps taken to reduce its carbon footprint and the integration of circular economy principles into production processes demonstrate that Ereteks is driving a tangible transformation within the industry. We observe that practices such as renewable energy use and effective waste management not only reduce environmental impacts but also strengthen operational sustainability.

The importance given to occupational health and safety, an ethical supply chain approach, and social responsibility initiatives further reflect Ereteks' holistic perspective on sustainability. We believe this approach adds value to the industry and wish Ereteks continued success throughout its sustainability journey.

Mehmet Ali Ding

Manufacturing Manager
DMD



Stakeholder View

I have been working at Erteks for nearly eight years. During this time, I have had the opportunity to work in different departments and with many managers. I can say that I work in an environment where I see myself not only as an employee, but also as part of the work itself.

At Erteks, we can always find someone to talk to when we face a problem. Having our concerns listened to and seeing efforts made to solve them makes me feel secure. This approach also helps me stay more motivated in my job.

I think Erteks is a well-organized company that values employee rights and is open to new ideas and improvements. Being able to communicate with management and share our opinions is important for us. It allows employees to express themselves more comfortably.

I believe that Erteks is a company that continues to grow and improve. I am happy to be part of this structure.

Şentürk Senderoğlu
Ironer



Working at Erteks has been an important experience for me. Our company has a strong culture not only because of the importance it gives to its work, but also because of the way it approaches its employees. As someone who has been part of this structure for a long time, I see that Erteks improves working conditions every year and continues to introduce better practices.

Erteks supports employee motivation and work efficiency through the safe environment it provides, its fair approach, and continuously improving working conditions. At the same time, sensitivity toward environmental issues is reflected in our daily operations through efficient use of resources, a more environmentally conscious production approach, and sustainability-focused practices.

Within this understanding, I am happy to work at Erteks and proud to be part of this structure.

Ayşe Güneştaş
Sorting Barcode Operator
and Employee Representative



My name is Emine Tonyak. I have been working at Erteks for six years, and since 2023, I have been serving as an employee representative. I am happy to work at Erteks. During my time here, I have been able to share my opinions and requests openly, and I have seen that this feedback is taken into consideration. As someone working in the textile industry, I think Erteks is a safe and well-organized workplace in terms of working conditions. Throughout my time as an employee representative, seeing that the requests and complaints we communicate are evaluated as much as possible creates a strong sense of trust for us.

Being able to communicate directly with management is something positive for employees. The attentive approach shown toward employees' concerns and requests helps create a healthier working environment. I believe that no discrimination is made among employees at Erteks and that everyone is treated equally. In addition, activities such as New Year events, group dinners, and similar organizations help support employee motivation, which I think is very positive.

For these reasons, I am pleased to work at Erteks.

Emine Tonyak
Sewing Machine Operator
and Employee Representative



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**Decent work,
stronger tomorrows.**

Eratteks and People: Employee Well-Being and a Responsible Business Approach

Eratteks does not limit sustainability solely to environmental performance or governance mechanisms; it adopts a people-centered business model that promotes fairness, inclusion, and long-term well-being. This approach brings together employee rights, decent working conditions, and community contribution within an integrated social performance framework.

1. Our People

As of 2023, Eratteks regularly monitors workforce indicators including headcount, gender and age distribution, vulnerable employee groups, and employment structure. Promotion

processes, average training hours per employee, and development programs are designed to support the integration of individual potential with corporate value creation.

Employee satisfaction surveys, grievance mechanisms, absenteeism rates, and employee turnover are considered key indicators for monitoring work-life balance and organizational climate. Employee well-being practices have been strengthened through initiatives such as the 13th salary bonus, shopping cards, childcare support, scholarships, and educational assistance programs.

In the area of occupational health and safety, work-related accidents, occupational diseases, and working hours are regularly monitored, while legal compliance is transparently reported.

2. Human Rights and Equality

Eratteks recognizes human rights and equal opportunity as fundamental elements of its corporate policies. Gender equality, prevention of discrimination, and inclusion principles are integrated into our practices. Living Wage analyses, reported for the first time in 2023, reinforce our long-term commitment to decent working conditions and human dignity.



Erateks and People: Employee Well-Being and a Responsible Business Approach

3. Social Compliance in the Supply Chain

Erateks monitors working conditions throughout its supply chain through regular social compliance audits and assessment processes. These processes are carried out using a risk-based approach across key areas such as working hours, wage practices, occupational health and safety, and worker rights. Based on identified findings, improvement programs are implemented, and sustainable development is supported together with suppliers.

4. Community Contribution

Erateks considers contributing to social development in the regions where it operates as part of its corporate responsibility. Through social responsibility projects and local collaborations, initiatives are carried out particularly to support women's empowerment, child well-being, and disadvantaged groups. This approach forms the foundation of our social impact understanding, which aims to create shared value together with stakeholders.

5. Social Performance Overview

Erateks' social performance is built upon the regular monitoring and evaluation of indicators related to employee well-being, human rights, social compliance, and community contribution. Through a risk-based management approach and continuous improvement mechanisms, our social sustainability practices are continuously strengthened and progress in an integrated manner with our corporate management systems.



Employee Profile & Social Performance Indicators

At Eratteks, we support our people-centered sustainability approach not only through policies and practices, but also through measurable, trackable, and comparable social performance indicators. We regularly monitor data related to employee profile and demographics, employee mobility, employee satisfaction and feedback mechanisms, working conditions and leave management, training and development, as well as occupational health and safety. Developments in these areas are addressed through a transparency and continuous improvement approach. These indicators enable year-on-year monitoring of social performance and support the data-driven identification of priority improvement areas.

Employee Profile and Demographic Structure

Number of Employees

Wanted Operations
Number of Employees

137

False Operations
Number of Employees

852

} 989

Number of Employees and Growth Rate (2024-2025)



Vulnerable Employees



Age Distribution



Gender Distribution



Employee Profile & Social Performance Indicators

Employment Mobility and Career

Annual Turnover Rates



Monthly Absenteeism Rates

Industrial Operations Absenteeism

3,40%

Petrol Operations Absenteeism

4,88%

Promotions

Number of Employees Promoted

15



Employee Feedback Mechanisms

Suggestion and Complaint Resolution Rates



Resolved

223

Total Complaints

241

Employee Profile & Social Performance Indicators

Living Wage

At Erateks, we make a dedicated effort to ensure that our employees remain economically resilient and secure in the face of global economic fluctuations. In this context, one of our key priorities is to provide a wage policy that supports a Living Wage approach. In addition, starting from 2024, a 13th salary practice and various financial support programs have been implemented to further support employee well-being.

Within this framework, our compensation model is based on the following core elements:

Monthly Wage Paid = Region + Seniority + Job Function + Position + Minimum Wage Base

To evaluate this approach, Erateks conducted its first wage comparison analysis in 2023, covering both urban and rural operations. The study includes comparisons between the average wage levels paid to standard production operators and line supervisors in the company's Istanbul (urban) and Ordu/Fatsa (rural) operations and the statutory national minimum wage in Türkiye.

This analysis aims to transparently assess the positioning of Erateks wage levels in relation to the national minimum wage baseline. As a result of the wage policies implemented in recent years, a noticeable decrease has been observed in employee turnover related to wage levels.

At Erateks, our goal is to establish a model employer structure within the industry by prioritizing employee well-being, supporting fair wage practices, and implementing sustainable workforce policies.

Living Wage

Location	Position	2023 Statutory Minimum Wage (Gross – TRY)	2023 Average Wage at Erateks (Gross – TRY)	Average Wage to Minimum Wage Ratio	Wage Gap (%)
Istanbul	Supervisor / Team Leader	26.005,50	90966	3,5x	349,8
Istanbul	Production Operator	26.005,50	46.304	1,78x	76,2
Fatsa	Supervisor / Team Leader	26.005,50	64.082	2,46x	146,4
Fatsa	Production Operator	26.005,50	32.807	1,24x	23,7

Our Approach to Training and Development

Ereks considers employee development as a key pillar of sustainable growth and organizational resilience. In this context, training and development activities are designed not only to enhance individual capabilities, but also to strengthen organizational capacity and support long-term value creation.

Training programs are planned in line with employees' roles, competency needs, and career development objectives, ensuring an inclusive approach across all employee groups. Technical trainings, occupational health and safety, sustainability awareness, leadership development, and personal skills programs are regularly implemented within this framework.

Ereks approaches learning as a continuous development process and establishes systems that support employees' access to knowledge and development opportunities. This approach enables employees to adapt to changing business conditions, acquire new competencies, and take a more active role within the organization. The effectiveness of training and development activities is regularly monitored through indicators such as training hours per employee, participation rates, and performance feedback. Based on these insights, program content is continuously reviewed and improved.

Ereks aims to provide an inclusive development environment with equal opportunities, supporting all employees in reaching their full potential while strengthening a learning-oriented organizational culture.

Training Hours



Training Hours per person

100

Learning, Development, and Future Readiness

6S Trainings

Through regular 6S trainings delivered by our Lean and Operational Excellence team, we aim to create safe, organized, and efficient working environments.



Mindset Training

Believing that individual development directly contributes to corporate success, Eratteks organized a Mindset Training with the participation of department managers. This training strengthened participants' perspectives on openness to learning, growth-oriented thinking, and mental awareness.



Future Readiness Workshop – Intern Development Program

The "Future Readiness Workshop," organized with the participation of our high school and university interns, aimed to increase young participants' awareness regarding their career journeys.

Through interactive discussions, a mutual learning environment was created around interns' future expectations, experiences, and potential.



OHS, Environment, and Quality Trainings

Regular trainings are conducted within the scope of occupational health and safety, environmental management, and quality management systems to support employee awareness and a safe working culture.

Community and Corporate Values

As Erateks, we carry out employee experience and development activities throughout the year to strengthen employee engagement, support corporate culture and belonging, and encourage continuous development. Through initiatives focused on awareness, celebration, and social interaction, we aim to create an inclusive and motivating working environment.

Corporate Values and Shared Memory

National Sovereignty and Children's Day

April 23 National Sovereignty and Children's Day was celebrated at Erateks with enthusiasm and joy. Through an activity featuring employees' childhood photographs, we aimed to strengthen intergenerational connections and promote the sharing of common values. The meaning of this special day, dedicated to children around the world by Mustafa Kemal Atatürk, founder of the Republic of Türkiye, was reflected within our corporate culture.



Republic Day

October 29 Republic Day was meaningfully celebrated at Erateks on the occasion of the 102nd anniversary of our Republic. Within the framework of the Republic's values of reason, science, equality, and modernity, our commitment to a people-centered, sustainable, and innovative vision for the future was emphasized.



Day of Love Celebration

As part of the February 14 Day of Love celebration, we welcomed our employees in our offices and factories with a theme centered on love and respect. Through this event, which supported internal solidarity and a positive working atmosphere, we aimed to strengthen mutual respect and a sense of belonging.



Equality, Awareness, and Social Responsibility

International Women's Day

Through activities organized within the scope of International Women's Day, we once again emphasized our corporate stance on gender equality and women's empowerment. While participants' self-expression was supported through a creative workshop, specially designed bags were gifted to our women employees as part of a donation made to the Mor Çabı Women's Shelter Foundation. These initiatives further strengthened our corporate culture based on equality, solidarity, and awareness.



International Day for the Elimination of Violence Against Women

Through the awareness initiatives carried out on November 25, our corporate stance against violence toward women was clearly demonstrated. Employee participation was encouraged through the "Leave a Message Against Violence Toward Women" area, helping create shared awareness around equality, safety, and human rights.



Gender Equality Trainings

At Erateks, training programs were organized at both our headquarters and Fabas facilities to strengthen gender equality and an inclusive workplace culture. Separate programs designed for employees and managers aimed to reinforce a working environment based on equality, inclusivity, and respect.



Social Interaction, Team Spirit, and Participation

Table Tennis Tournament

The Table Tennis Tournament, organized to strengthen interaction among employees and enhance team spirit, created an atmosphere of friendship and healthy competition. Supporting social interaction, this initiative became one of the practices contributing to employee motivation and engagement.



Istanbul Marathon

As part of the Istanbul Marathon, our employees participated in the event with a strong sense of social responsibility, reflecting the spirit of teamwork, solidarity, and volunteerism. Prior to the marathon, an internal charity bazaar was organized to support this initiative, and the contributions collected were directed toward social benefit projects.



Occupational Health and Safety

Erateks considers occupational health and safety a fundamental component of employee well-being and corporate sustainability. Guided by a zero-fatality target and a low injury rate objective, we implement a preventive and risk-based approach across all operations.



Our occupational health and safety practice are carried out in accordance with Turkish Occupational Health and Safety Law No. 6331 and the requirements of the ISO 45001 Occupational Health and Safety Management System. Hazard identification, risk assessment, training, internal audits, and continuous improvement processes are systematically implemented.

In this section, key performance indicators for the reporting period — including injury frequency rates, lost workdays, occupational diseases, and other core indicators — are transparently disclosed. Erateks regards providing a safe working environment not only as a legal obligation, but also as a fundamental responsibility toward its employees.

Work Accidents

0,000317%

0

0

67

56

0

0

Accident
Frequency Rate

Fatalities

Lost Day Cases

Total Work
Related Injuries

Total Lost Day

High-Consequence
Injuries

Work-related
Ill health



Our Commitment to Human Rights

At Erateks, we recognize, adopt, and embrace the Universal Declaration of Human Rights as one of the fundamental principles guiding all our operations. These universal values form the foundation of our respect for human dignity, equality, and justice — shaping our relationships with all stakeholders, from our employees and business partners to our communities and customers. We place decent work, an inclusive workplace, and equal opportunity at the core of our sustainability approach. In this context, we stand firmly against all forms of discrimination, forced labor, and human rights violations, and act with determination to foster a safe, respectful, and fair working culture. At Erateks, respect for human rights is not merely a policy — it is an integral part of our sense of responsibility and our commitment to sustainability.

We thank
UNICEF Platinum Wing Supporter
Erateks Tekstil
for supporting children's rights!



Our Commitment to WEPs and Our Gender Equality Strategy



WOMEN'S
EMPOWERMENT
PRINCIPLES

We consider gender equality as a natural extension of our commitment to human rights and our responsibility to create a fair and inclusive working environment. We position this approach as one of the fundamental pillars of our corporate governance framework and sustainable value creation model.

As a concrete reflection of this commitment, we have been a signatory to the Women's Empowerment Principles (WEPs) since 2017, supporting the empowerment of women in business life. In 2023, our signatory status was renewed, and a structured Action Plan aligned with the seven WEPs principles was established.

Through the CEO Statement of Support signed under the WEPs framework, our commitment to gender equality has been publicly declared at the highest level of leadership.

In line with this commitment, we have identified the following priority areas:

- Strengthening policies and practices that support equal opportunity
- Promoting an inclusive approach in recruitment, career development, and leadership processes
- Raising awareness against discrimination and bias in the workplace
- Ensuring a safe and respectful working environment

In 2023, a structured WEPs Action Plan was developed in alignment with these principles, including policy reviews, training programs, representation and equal opportunity analyses, and the definition of measurable indicators.

Gender Equality Training Program

As a concrete step under this approach, we implemented Gender Equality Training Programs in collaboration with Samsum Ondokuz Mayıs University and Sabanci University, with the participation of our teams across our operations. The program covered the following topics:

- The concept of gender and its reflections in working life
- Conscious and unconscious biases
- Inclusive communication practices
- Respect and equality culture in the workplace

These trainings aim not only to provide knowledge, but also to foster long-term cultural transformation within our organization. Our objective is to create a working environment where every employee feels valued.

Management-Level Accountability, Monitoring, and Reporting

At Eratteks, gender equality is not limited to training initiatives; it is also a governance area embedded at the management level.

Under the WEPs Action Plan established in 2023, our equality approach has been integrated into corporate processes. Within this framework, performance is regularly monitored based on defined indicators; analyses are conducted on representation rates, pay equity, and access to development opportunities; and the impact of training and awareness initiatives is systematically evaluated.

In line with our WEPs commitment, we monitor our progress through gender-disaggregated data. The findings obtained are transparently shared with our stakeholders through our sustainability reports.

We will continue to position gender equality as an integral part of our long-term sustainability strategy and monitor our progress in this area through systematic and measurable indicators.



"The World Would Change If Women Were Free"

Social Compliance Audits and Assessments

Eratteks monitors its performance in social compliance, occupational health and safety, and worker rights across its own operations as well as its Tier 1, Tier 2, and Tier 3 suppliers through regular audit and assessment processes aligned with national legislation and international standards.

These processes are conducted not only to verify legal compliance, but also to meet customer expectations, identify risks at an early stage, and strengthen a culture of continuous improvement.

Audit findings are systematically analyzed, while the necessary corrective and preventive actions are planned and monitored for effective implementation. This approach enables Eratteks to manage its social performance within a transparent, measurable, and sustainable framework.

Audit / Assessment	Eratteks IST	Eratteks FTS	TSH	RSK	HK	DEYDUR	POINTSAN	ÖRSİM	FİRSAN	EMİGÖN
SLOP – Social & Labor Convergence Program	■	■	■	■	■	■	■		■	■
PUMA Social Compliance Audit	■	■	■	■	■					
adidas Social Compliance Audit	■	■		■			■			
ISO 45001 – Occupational Health and Safety Management System	■	■							■	
Ministry of Labor and Social Security Audits									■	
Internal Audits	■	■	■	■	■				■	

Improvement Programs

Social Compliance Audit Findings and Improvement Processes

In 2025, a total of 14 social compliance and occupational health and safety audits were conducted across 10 facilities, including Erateks' own operations and its Tier 1, Tier 2, and Tier 3 suppliers within the audit scope. The audits covered working hours, wage practices, occupational health and safety, human rights, and social-compliance criteria. As a result of these audits:

As a result of the audits conducted,
4 Zero Tolerance findings and
24 Major findings were identified.

All findings were classified according to their risk levels, and corrective and preventive action plans were developed and shared with the relevant parties. During the reporting period:

- 4 Zero Tolerance findings were closed
- 19 Major findings were improved

while monitoring and verification processes continue for the remaining open findings.

Audit outcomes are evaluated not only to measure compliance status, but also to support early risk identification and strengthen a systematic continuous improvement approach. This framework enables Erateks to manage its social performance in a transparent, measurable, and continuous improvement-oriented manner.



Social Responsibility Partnerships

At Eratels, we implement our social responsibility approach through projects that provide tangible contributions in areas such as equal opportunity in education, gender equality, children's rights, health awareness, and support for disadvantaged groups. Through these initiatives, which place social needs at the center, we aim to be not only a donor, but also a responsible organization that prioritizes long-term social impact.



Our Education Support Programs

Equal Opportunity in Education

By supporting the "Equal Opportunity in Education" initiatives carried out by the Darüğşafika Society, we contributed to strengthening access to quality education. Through this support, we aimed to contribute to the continuity of the education journeys of students with high academic achievement but limited financial opportunities.

Education Scholarships

As Eratels, through the scholarships we provide to university students, we aim to support young people's educational journeys and contribute to their academic development.



Health Awareness Initiatives

Istanbul Marathon

As part of the Istanbul Marathon, we ran together with TSÇV (Turkish Spastic Children's Foundation) to support awareness for Cerebral Palsy. In addition, by providing jersey/t-shirt sponsorships for all companies participating with TSÇV during the marathon, we contributed to increasing collective corporate participation and visibility. Through this support, we aimed to expand social awareness through the unifying power of sports.

Breast Cancer Awareness and Preventive Health

Through breast cancer awareness initiatives and cancer screening tests conducted in collaboration with KETEM, we supported our employees' access to preventive healthcare services.

SMA Awareness

Through awareness activities related to SMA, we contributed to increasing public awareness regarding rare diseases.



Donations and Social Solidarity

UNICEF Platinum Supporter

As a UNICEF Platinum Supporter, we contributed to national and international initiatives aimed at protecting children's rights and

supporting their healthy development. Through this support, we aimed to strengthen children's access to basic needs, education, and healthy living conditions.

Donations and Community Support

Through donations made to organizations such as the Darüğşafika Society, the Turkish Red Crescent, the Yetim Foundation, and TSÇV, we continued contributing to social solidarity in the fields of education, healthcare, and social support.

Social Responsibility Initiatives for Animal Welfare

Through food donations to animal shelters, we supported meeting the basic needs of stray animals. With these initiatives, we aimed to increase public awareness regarding animal welfare and promote a sustainable understanding of social responsibility.

Social Support for the Elderly

Within the scope of visits to the Istanbul Nursing Home, in-kind support was provided to contribute to the basic needs of elderly individuals. Through this support, we aimed to contribute to improving the living conditions of elderly individuals and strengthening social solidarity.

Case Study

Enhancing Employee Well-being Through Social Space Improvements

Eratex considers employee well-being and decent working conditions among the core elements of its social sustainability approach. In line with this commitment, social infrastructure across operations has been comprehensively redesigned and improved to respond to increasing workforce size and evolving operational needs.

Previously limited in terms of capacity and usage areas, social spaces such as changing rooms, dining facilities, and rest areas have been expanded in parallel with workforce growth. As a result, changing room capacity increased by more than 100%, while dining area capacity increased by more than 40%, enabling employees to access these facilities under more comfortable and accessible conditions.

These improvements increased the available space per employee while reducing congestion-related hygiene and occupational health risks. Redesigned rest areas were structured to support both physical and mental well-being through more spacious, accessible, and ergonomic environments.

This initiative goes beyond physical capacity enhancement and represents a holistic social sustainability approach that positively contributes to employee satisfaction, occupational health and safety performance, employee engagement, and sense of belonging.

Eratex remains committed to continuously improving safe, healthy, and inclusive working environments by maintaining infrastructure investments centred on employee needs.



Social Performance Assessment

As of 2023, Enateks' social performance has been managed through a structured and data-driven approach across employee well-being, human rights, occupational health and safety, and social compliance. The indicators monitored and assessments conducted throughout the year demonstrate that social sustainability is integrated into corporate decision-making processes and managed systematically.

Employee engagement, training investments, and well-being initiatives have strengthened the operational reflection of our people-centered approach. Preventive occupational health and safety practices and risk-based audit processes have supported the continuity of a safe working environment. Our human rights and equality policies continue to be implemented not only in line with legal compliance requirements, but also as a reflection of our corporate values.

During the 2023 reporting period, the expanded scope of occupational disease analyses, working hours assessments, and Living Wage analyses enabled our social performance to be evaluated through a more comprehensive and comparable structure. This development reflects Enateks' approach to social sustainability not as a static compliance area, but as a dynamic development process.

Overall, Enateks' social performance demonstrates a stable development trend supported by strong governance mechanisms, regular monitoring systems, and a continuous improvement approach. In the coming period, our focus will remain on strengthening equality indicators, enhancing social compliance capacity across the supply chain, and further expanding employee well-being practices.

Enateks remains committed to positioning social sustainability as an integral part of corporate success and to developing a business model that ensures decent working conditions and respect for human dignity.



ENVIRONMENT

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A man in a cap and sunglasses is running through a dense forest. A large, semi-transparent green arrow points from the left towards the right, passing behind the man. The text 'Production that creates value without consuming resources.' is overlaid on the right side of the image.

**Production
that creates value
without consuming
resources.**

Erateks and the Environment

Erateks considers environmental sustainability a strategic priority, guided by combating climate change, resource efficiency, and circular production principles. The measurement, monitoring, and reduction of our environmental impacts are managed not only in line with regulatory compliance, but also as part of our long-term corporate resilience and value creation approach. Within this framework, energy consumption, greenhouse gas emissions, resource use, and waste management are addressed through a data-driven and systematic management approach.

In 2023, we managed our environmental sustainability initiatives within a more measurable and clearly defined framework. Through efficiency projects and infrastructure improvements implemented across our operations, we enhanced our energy performance and achieved a total energy saving of 530,000 kWh during the year. With the transition to our new headquarters building, we optimized energy consumption through a more efficient technical infrastructure and focused on reducing overall resource use.

In line with our Vision2030 objectives, we initiated the preparatory phase of our carbon reduction roadmap. During this process, we updated and expanded our carbon footprint calculation methodology. This enabled a more comprehensive assessment of emission data, more accurate analysis of our carbon footprint, and stronger planning foundations for our long-term reduction targets.

Throughout 2023, we further strengthened our monitoring and reporting processes. Electricity-related carbon emissions were

calculated monthly for all departments, and intensity analyses were conducted at the departmental level. In addition, four separate process-focused carbon footprint assessments were carried out during the year. The findings obtained served as the primary data basis for identifying carbon reduction priorities.

Through these initiatives, Erateks has strengthened an institutional approach that manages environmental impacts more consciously and advances toward sustainability goals through planned and structured action.



Carbon Footprint

Enateks has been conducting its corporate carbon footprint calculations in accordance with the GHG Protocol and ISO 14084-1 standards since 2018. As of 2025, the 7th reporting cycle of our carbon inventory has been completed, with strengthened methodology, improved data accuracy, and enhanced reporting transparency.

During the reporting period, organizational and operational boundaries were reassessed, and Scope 1, Scope 2, and Scope 3 emission sources were more comprehensively integrated into the inventory. This enabled a more holistic and comparable carbon inventory structure.

Our emissions intensity ratio was calculated at **0.00567** 100g per product, representing an approximate **15.7%** change compared to 2024.

In line with our Vision2030 objectives, our carbon reduction roadmap is being structured within a data-driven framework. Monthly monitoring and department-level analyses support the prioritization of emission reduction initiatives. Enateks remains committed to managing its carbon footprint under the principles of transparency, accountability, and continuous improvement.

Information Note

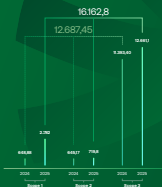
All carbon footprint reports for 2024 and previous years are accessible through the Enateks website.

Our carbon footprint calculations have been conducted since 2018, covering Scope 1, Scope 2, and Scope 3 emissions. Over time, additional activities, supply chain processes, and operational emission sources have progressively been incorporated into the reporting boundary. Therefore, any year-on-year increases observed in total emissions do not necessarily indicate an increase in operational emission intensity, but rather reflect the expansion of the reporting scope and ongoing methodological improvements.

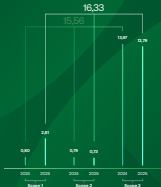
Scope	What Does it Represent?
Scope 1	Direct emissions from company operations
Scope 2	Indirect emissions from purchased energy
Scope 3	Other indirect emissions associated with the company's activities and value chain

Carbon Footprint

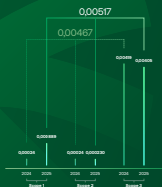
Total Emissions (tCO₂e)



Emission per Employee (tCO₂e/employee)



Emission per Product (tCO₂e/product)



Our 2025 CDP Performance: B

Since 2022, Erteka has continued its Carbon Disclosure Project (CDP) Climate Change reporting in line with its commitment to transparency and data-driven sustainability management. The CDP framework enables the structured assessment of climate-related risks, systematic monitoring of greenhouse gas emissions, and internationally comparable disclosure of environmental performance.

As of 2023, Erteka has maintained its B score in the CDP Climate Change assessment. This result reflects a structured approach to emissions management, climate risk assessment, and governance structures.

CDP feedback is used as a reference in strengthening our carbon reduction roadmap and enhancing our climate risk management approach. In line with our Vision2030 objectives, our emissions reduction targets and monitoring processes are being further systematized.

Erteka remains committed to managing its environmental performance within an internationally comparable and verifiable framework and to achieving higher levels of climate-related performance.



United Nations
Climate Change



Fashion
for Climate
MADE SUSTAINABLE FORGOOD





Climate Change Adaptation

Climate change is no longer solely a long-term environmental risk; it is a structural transformation that directly influences operational, financial, and supply chain decisions. Erateks addresses this transformation not only from an emissions reduction perspective, but through a comprehensive adaptation approach aimed at strengthening corporate resilience.

In line with our Vision2030 roadmap, we aim to build a low-carbon, measurable, and climate-resilient operational structure. Within this framework, carbon management, energy efficiency, and the systematic assessment of climate-related physical and transition risks are among our priority focus areas. Physical risks are evaluated at the operational location level, while transition risks are analyzed within the context of regulatory developments, carbon pricing, and energy cost dynamics.

Operational processes, supply chain structures, and infrastructure investments are reviewed within the framework of climate scenarios, while resource efficiency practices are gradually expanded. Climate-related risk assessments are regularly updated and reviewed at senior management level.

Water and energy performance indicators are regularly monitored, while climate-related risks and opportunities are integrated into our sustainability management system. The CDP reporting process serves as an important reference point for monitoring progress and transparently communicating performance to external stakeholders.

For Erateks, climate change adaptation means not only mitigating risks, but also enhancing operational flexibility, optimizing resource use, and supporting long-term value creation. This approach is one of the fundamental elements supporting the integration of our sustainability objectives into our corporate strategy.

Energy and Resource Efficiency

Renewable Energy Initiatives

Solar Power Plant (SPP)

As part of our renewable energy transition strategy, the Solar Power Plant (SPP) installed at our Fataa facility supplies approximately 32% of our total annual electricity consumption. This investment represents a concrete step toward the decarbonization of our energy portfolio.

Through our SPP investment:

- Scope 3 greenhouse gas emissions are reduced,
- Dependence on fossil fuel-based grid electricity is decreased,
- The transition toward a low-carbon production model is supported,
- On-site renewable energy generation contributes directly to lowering our emissions intensity and supports the achievement of our long-term carbon reduction targets.

I-REC Certified Renewable Energy Procurement

In addition to on-site renewable generation, International Renewable Energy Certificates (I-REC) are used to certify that electricity procured from the grid is generated from renewable sources. This mechanism ensures that our renewable electricity consumption is verified in line with international standards and enhances transparency and comparability in our Scope 2 emissions accounting.

This approach supports the diversification of our energy sources while strengthening the credibility of our sustainability reporting and our capacity to align with climate targets.



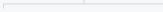
Electricity Consumption

32%



Solar Power Plant-Sourced Electricity

68%



Grid Electricity Consumption

Energy and Resource Efficiency

Energy Efficiency Initiatives

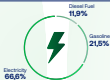
ISO 50001 and Energy Management Practices

Erateks manages its energy performance through a systematic and data-driven approach, treating energy management as a core component of its sustainability strategy. In line with internationally recognized energy management methodologies, energy consumption is regularly monitored, analyzed, and evaluated to ensure continuous performance improvement.

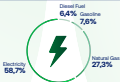
Energy consumption from different sources is assessed using a common measurement unit, Tonnes of Oil Equivalent (TOE), enabling a holistic evaluation of our overall energy profile. This approach supports the identification of significant energy use areas and the development of efficiency- and reduction-focused action plans.

Energy performance is reviewed on a regular basis, and improvement projects are implemented based on data-driven analyses. These energy management efforts contribute not only to operational cost optimization but also to the strengthening of our long-term carbon reduction targets.

Istanbul – Significant Energy Sources



Fatma – Significant Energy Sources



Waste Heat Recovery and Efficient Heating Systems

As part of our efforts to reduce operational carbon footprint, waste heat recovery systems have been implemented across our production facilities. Waste heat generated from steam production and compressed air systems is recovered through integrated solutions and reused in heating and hot water processes.

These applications reduce additional energy demand, enhance resource efficiency, and lower overall energy intensity. The cumulative impact of the heat recovery projects has resulted in approximately a 20% improvement in energy efficiency across the facility.

Waste heat recovery initiatives represent an important component of our transition toward a low-carbon production model and contribute directly to the reduction of Scope 2 emissions.

Energy and Resource Efficiency

Resource Usage Intensity

Erateks monitors its environmental performance not only through total consumption data but also through intensity-based indicators linked to production volume and workforce size. This approach enables a more accurate assessment of resource efficiency and allows for more meaningful year-on-year comparisons.

Water consumption per employee, as well as natural gas and electricity consumption per product, are among the key performance metrics reflecting operational efficiency, the impact of process improvement initiatives, and progress toward our carbon reduction objectives.

These intensity indicators allow us to evaluate resource use trends independently from fluctuations in production volume. They provide a measurable framework for assessing the effectiveness of our energy and water efficiency initiatives and support data-driven environmental management. The table below presents our intensity-based performance indicators for the reporting period.



Water Consumption per Employee (m³)

Istanbul Facility – Water Consumption per Employee (m ³)	11,26
Fatsa Facility – Water Consumption per Employee (m ³)	24,37



Natural Gas Consumption per Product (m³)

Erateks – Natural Gas Consumption per Product (Std m ³)	0,04
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Electricity Consumption per Product (kWh)

Erateks – Electricity Consumption per Product (kWh)	0,68
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Water Management and Consumption

As of 2023, total water consumption across Erateks operations amounted to 20,557 m³, of which 36% was supplied from the municipal network and 64% from rainwater harvesting systems. The average water consumption per employee was 18 m³/year, with variations observed between facilities.

Water use at Erateks is primarily driven by human and social use. Limited technical applications, including steam generation, solar power plant cleaning, and landscape irrigation, are monitored separately and account for approximately 1,276 m³ annually.

Differences in water consumption across facilities are currently being analyzed. In this context, water use is monitored separately under social and technical categories, and comparative assessments are conducted through per capita consumption indicators. Based on the findings, Erateks aims to optimize per capita water consumption through efficiency measures and increased employee awareness.

Sustainable Raw Material Use

Erateks positions the use of sustainable raw materials as a strategic priority within its production processes. As of 2023, the company has focused on increasing the share of recycled and certified alternatives in both cotton and polyester-based materials. Better Cotton, organic and recycled cotton, as well as recycled polyester inputs, have become integral components of our material portfolio.

13%

BCI
Cotton

2%

Recycled
Cotton

1%

Organic
Cotton

42%

Recycled
Polyester

37%

Re:FIBER
Polyester



PUMA - RE:FIBRE

Erateks operates as a manufacturing partner within PUMA's RE:FIBRE program, which aims to transform textile waste into high-quality new textile products. In alignment with this circular production model, the procurement and integration of recycled polyester-based raw materials have been prioritized in our production processes.

In 2023, 44% of the total polyester raw material purchased was sourced under the RE:FIBRE program. This corresponded to 37% of our total fabric procurement. These figures demonstrate the steady increase in recycled content utilization and the operational-scale integration of circular materials within our production structure.

Through GRS-certified raw material sourcing and certified production infrastructure, Erateks contributes to PUMA's objective of reintegrating textile waste into the value chain, while strengthening its position as a strategic manufacturing partner in sustainable material transformation.



adidas - Recycled

Erateks manufactures adidas products using Global Recycled Standard (GRS)-certified recycled raw materials in alignment with adidas' sustainable material strategy. Polyester-based inputs used in production are sourced and processed in accordance with recycled content verification and traceability requirements.

The GRS certification system ensures chain-of-custody traceability, recycled content verification, and compliance control from raw material sourcing to final product. Through its certified production infrastructure and documentation processes, Erateks manages recycled content takes in a transparent and reliable manner.

This approach supports adidas' circular material objectives while strengthening Erateks' position as a strategic manufacturing partner in sustainable and traceable production.

Waste Management and Circularity

Enateks approaches waste management not only from a regulatory compliance perspective, but also as a core component of resource efficiency, circular economy principles, and environmental impact reduction. Waste generated from our production processes is segregated by type, regularly monitored, and managed with a recovery-first approach. Preventing waste at its source is a fundamental principle. Process improvements, material optimization, and production planning practices are implemented to minimize waste generation. The waste that is generated is managed through recycling, reuse, and disposal methods carried out via licensed facilities in accordance with applicable regulations.

Hazardous and non-hazardous waste streams are systematically recorded and tracked to ensure legal compliance and support environmental risk reduction. Waste performance indicators are periodically analysed to identify improvement areas and increase resource circularity. Enateks considers waste management an integral part of its low-carbon and responsible production model, continuously working to increase recovery rates and reduce overall waste generation in a structured and systematic manner.

Waste Quantities

Waste Types	15
Non-Hazardous Waste Amount (kg)	508,294
Hazardous Waste Amount (kg)	1,280
Declared Waste Ratio	100%

Waste Disposal Management (%)

Recycling	85%
Landfilling	15%

Domestic & Organic Waste per Employee (kg)

Enateks Domestic & Organic Waste per Employee	79,18
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Textile Waste per Product (kg)

Enateks Textile Waste per Product	0,0788
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Waste Intensity per Employee (kg)

Waste per Employee	543,9
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Waste Distribution



Environmental Compliance Audits and Assessments

Erateks monitors the environmental performance of its operations, as well as its Tier 1 and Tier 2 suppliers within the scope of audits, through regular audit and assessment processes in line with national regulatory requirements, international standards, and global brand expectations. Within this framework, legal compliance audits, brand and customer audits, management system controls, international platform assessments, and certification processes are conducted within an integrated framework.

These audits and evaluations are implemented not only to verify regulatory compliance, but also to support the early identification of environmental risks, strengthen data reliability, and reinforce a culture of continuous improvement. Areas such as carbon management, energy performance, chemical compliance, and sustainable raw material use are regularly reviewed within this scope. Audit findings are systematically analyzed, necessary corrective actions are planned, and implementation outcomes are monitored. This approach enables Erateks to manage its environmental performance within a transparent, measurable, and governance-based framework.

Audit / Assessment	Erteks İstanbul Facility	Erteks Fatsa Facility	TSM	SDK	HK	BEYDUR	PRINTSAN	ÖRSİM	FERRAH	EMİOSAN
Hıgg FEM		■	■			■			■	■
Ministry of Environment, Urbanization and Climate Change						■				
adidas Environmental Compliance Audit							■			
PUMA Environmental Compliance AuditDenatimi		■	■					■	■	
ISO 14001 - Environmental Management System	■	■							■	■
ISO 50001 - Energy Management System	■	■								■
Carbon Disclosure Project	■	■								
Carbon Emissions Calculation	■	■								■
I-REC	■	■					■		■	
Global Organic Textile Standard	■	■	■			■		■		■
Global Recycle Standard	■	■	■	■	■	■		■	■	■
Organic Content Standard	■	■	■	■	■	■		■		■
Recycled Claim Standard	■	■	■	■	■	■		■	■	■
Better Cotton Initiative	■	■						■		
ODAO-TEX	■	■					■	■	■	■
Internal Audits	■	■	■	■	■					

Case Study

Strengthening Energy Monitoring Infrastructure under ISO 50001

Estateks recognizes that effective environmental management depends on accurate, reliable, and measurable data. In line with this understanding, the company enhanced its energy management system within the framework of ISO 50001.

Prior to the improvement, energy consumption was monitored through manual and estimation-based calculations using nominal kWh values of machinery and operating hours. While this method provided general consumption insights, it limited the ability to analyse department-level variations, process-based inefficiencies, and real-time fluctuations. To address these limitations, energy meters and analysers were integrated across all production departments, establishing a real-time, measurement-based energy monitoring infrastructure.

As a result of this transformation:

- Department-level energy consumption became measurable and distinguishable,
- Direct measurement data replaced estimation-based calculations,
- Energy-intensive processes were clearly identified,
- A strong data foundation was established for energy efficiency and carbon reduction projects,
- Operational optimization was achieved, leading to an approximately 50% reduction in manual workload.

This initiative represents more than a technical upgrade. It reflects Estateks' commitment to data-driven management, transparency, and continuous improvement in energy management. The enhanced monitoring infrastructure now actively supports environmental performance tracking and strengthens the planning of long-term carbon reduction targets.



Environmental Performance Evaluation

In 2025, environmental performance at Eratéka was addressed within a more comprehensive, measurable, and strategic framework. The scope of our carbon footprint inventory was expanded, emission sources were analyzed in greater detail, and our reduction roadmap was clarified through defined action areas. These efforts were carried out not only to report environmental impacts, but also to systematically manage and reduce them.

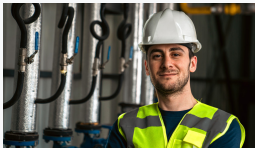
Initiatives in energy efficiency, waste management, and sustainable raw material use directly contributed to reducing the environmental impact of our operations. The measurement-based monitoring of energy consumption, implementation of waste heat recovery systems, and increased use of renewable energy were evaluated through an integrated perspective combining cost optimization and carbon reduction. This process has made the relationship between environmental performance and operational efficiency more visible.

From a climate change adaptation perspective, risk and vulnerability areas were reassessed, and production, supply chain, and energy management processes were evaluated within the framework of climate scenarios. This approach enabled the earlier identification of environmental risks and their stronger integration into operational decision-making processes. As a result, environmental topics became a more integral part of strategic management discussions.

Within the scope of waste management and circularity initiatives, recovery rates were regularly monitored, and the broader use of certified and sustainable raw materials was prioritized. Circular collaborations such as REPERE and Recycled contributed to strengthening our product life-cycle perspective and increasing the operational use of recycled content.

Environmental compliance audits and management system controls supported the regular review of our performance and the clear identification of improvement areas. Audit processes served not only as a tool for regulatory compliance, but also as an important mechanism for risk management, data accuracy, and system maturity assessment.

Overall, 2025 was a year in which environmental data was monitored in a more detailed and reliable manner, carbon reduction targets were more strongly integrated into corporate strategy, and operational decision-making processes became more closely linked with environmental risks. Eratéka will continue advancing its environmental impact reduction efforts in alignment with its long-term objectives and Vision2030 framework.



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**Trust through
transparency,
sustainability
through trust.**

Corporate Governance and Transparency

As Eratels, we build our sustainability approach on a strong corporate governance culture and the principle of transparency. Our governance structure, aligned with the GRI Standards, provides a holistic framework encompassing our entire corporate operations — from organizational structure and supply chain management to certification processes, data security, ethical business practices, and digitalization.

In 2025, while focusing on improving the traceability of our operational processes and performance indicators, we further strengthened our corporate credibility through independent audits, certifications, consultancy engagements, stakeholder feedback, and quality assessment and testing activities. The responsible management of our supply chain, material and product

verification mechanisms, digital data flow, ethical principles, and collaborations continued to serve as core pillars of our transparency-driven approach.

Throughout the year, regular meetings to renew our ESG agenda, data protection initiatives, and employee awareness activities enabled us to manage risks more effectively and closely monitor our progress toward corporate sustainability goals. This comprehensive management approach continuously reinforces accountability in Eratels' decision-making processes, effectiveness in risk management, and responsibility toward all stakeholders.

Within this framework, our progress in governance not only reflects our current performance but also contributes to shaping a sustainable, resilient, and reliable corporate structure.

Department-Based Workforce Distribution (%)



Management Meeting Indicators



Consultancy Services (hour)



Executive Committee and Operational Governance

At Erateks, the Executive Committee is the primary management body responsible for implementing the strategic direction defined by the Board of Directors at the operational level. Coordinating daily management processes, the Executive Committee oversees operational performance, effective resource utilization, and the execution of key business priorities.

Executive Committee meetings serve as platforms where production performance, efficiency projects, investment plans, and risk management topics are regularly evaluated, while ensuring cross-functional coordination across the organization. Within this process, sustainability is addressed as an integral part of operational decision-making mechanisms and is evaluated together with efficiency, compliance, and long-term value creation.

Environmental, social, and governance (ESG) topics are integrated into operational planning and performance monitoring processes, particularly in areas such as resource efficiency, people management, and supply chain performance. This approach enables sustainability objectives to be translated into concrete and measurable practices.

Decisions taken by the Executive Committee are implemented through the relevant departments and regularly monitored through performance tracking systems. This structure contributes to strengthening Erateks' operational discipline, supporting its continuous improvement approach, and effectively implementing its strategic objectives.



Stakeholder Feedback and Satisfaction Management

Employee feedback is addressed within the framework of our decent work approach, and employee experience, working conditions, communication, and corporate practices are regularly evaluated. As a result of the 2023 employee satisfaction assessments, an average satisfaction level of 83% was achieved. The feedback obtained is systematically analyzed, and actions aimed at improving the working environment and enhancing employee well-being are planned and implemented accordingly.

Erateks considers customer feedback as a key input for improving operational performance. Through integrated evaluation and feedback mechanisms, performance related to quality, delivery, communication, and sustainability practices is regularly monitored. As of 2023, customer

assessments indicate an average satisfaction level of 80%, reflecting that customer expectations are generally being met. However, the findings also indicate further opportunities for improvement, and targeted action plans are being developed accordingly to enhance customer satisfaction.

As of 2023, a structured satisfaction measurement mechanism for supply chain stakeholders has not yet been implemented and has been identified as an area for improvement. Erateks has prioritized the establishment of processes for the systematic collection of supplier feedback and plans to implement a supplier satisfaction measurement system during 2024. This approach aims to strengthen stakeholder engagement throughout the value chain and support a more holistic management of sustainability performance.

Employee Satisfaction Rate



83%

Customer Satisfaction Rate



80%

Responsible® Support Program for Green Deal Compliance



European Commission



In 2023, Entekas participated in a comprehensive corporate sustainability assessment under the Responsible® Program, coordinated by the Ministry of Trade of the Republic of Türkiye and aligned with the objectives of the European Union Green Deal.

Within the scope of the program, Entekas' sustainability maturity level was systematically evaluated across environmental, social, and governance (ESG) dimensions in collaboration with the sustainability consultancy firm Greenlife appointed by the Ministry of Trade. The assessment covered governance structures, policy frameworks, data infrastructure, carbon management practices, supply chain sustainability, human rights approach, and risk management mechanisms.

Based on the findings, development areas were identified to strengthen alignment with EU sustainability legislation and Green Deal requirements. These improvement areas were structured into formal project charters, including defined action plans, responsible departments, implementation timelines, and performance indicators. The structured roadmap has been integrated into Entekas' corporate sustainability strategy.

This process demonstrates that Entekas approaches sustainability not solely as a reporting exercise, but as a strategic management and risk mitigation framework aimed at long-term value creation. It also strengthens the company's institutional alignment with sustainability reporting principles and emerging EU and Türkiye sustainability reporting requirements, including ESRS, TSRS and CSRD expectations.

The development phase is being implemented through a multi-stakeholder approach involving senior management, operational teams, external advisors, and relevant partners. Our objective is to elevate Entekas' corporate sustainability standards to EU-aligned levels and to build a more resilient, transparent, and future-ready business model.





Anti-Bribery and Anti-Corruption

Erateks considers ethical business conduct a fundamental element of its corporate governance framework. A zero-tolerance policy is applied against bribery, corruption, conflicts of interest, and all forms of unethical practices.

Our ethical framework is built upon internationally recognized best practices, universal ethical principles, and stakeholder expectations. Transparency and accountability are ensured through segregation of duties, approval mechanisms, and internal control practices implemented across all business processes.

In 2025, anti-bribery and anti-corruption awareness trainings were initiated within critical functions prioritized through risk assessments. This first phase covered procurement, administrative affairs, outsourced operations, warehouse management, accounting-finance, and human resources departments, with 20% participation among relevant employees. Training content included conflict of interest, gift and hospitality rules, and regulatory compliance topics.

Due to departmental and role changes throughout the year, the training program was implemented gradually. A broader training program with wider participation is planned for 2026. Erateks regularly reviews its control systems and adopts a continuous improvement approach in order to prevent ethical risks and maintain a trust-based working environment.

Data Protection and Information Security

Data protection and information security are integral components of Enateks' corporate governance framework. Policies and procedures related to the protection of personal data and information assets are regularly reviewed, while technical and administrative controls are continuously enhanced. These practices are conducted in alignment with ISO 27001 Information Security Management System principles and the Turkish Personal Data Protection Law No. 6698 (KVKK).

In 2025, 94% of employees participated in information security and data protection training programs, reflecting a high level of organizational awareness. Training content covered data privacy, cybersecurity risks, and secure digital working practices. During the year, three information security incidents were identified. Each case was addressed in accordance with rapid response procedures, followed by root cause analysis and the implementation of corrective and preventive actions. No significant data loss or regulatory penalties occurred as a result of these incidents.

Information security risks are assessed on a regular basis, and internal control and monitoring mechanisms continue to be strengthened. All processes are managed under principles of transparency, regulatory compliance, and a risk-based management approach. Enateks considers information security a fundamental element of stakeholder trust and remains committed to enhancing its organizational resilience against digital risks.



Information Security Violation	Preventive Action	Outcome
A banking access card with authorization for a different department was provided to personnel from another department.	All access cards were redefined through a name-based and department-based authorization system. An approval mechanism (authorized signature / digital record) was made mandatory for card transfers and temporary usage situations. A periodic access card control plan was established. Relevant personnel received information security and access control training.	Regular monitoring and control mechanisms are implemented to prevent the use of authorization and access rights outside defined job responsibilities.
A restricted area and a computer requiring session closure were left open.	Responsibilities related to restricted area access and shutdown procedures were clarified and communicated in writing to relevant personnel. Automatic screen lock / session timeout settings were implemented for computers. Employees received information security and physical security awareness training. Periodic inspection and control mechanisms were established for restricted areas and critical systems, and reminder signs and warning visuals were introduced where necessary.	Controlled area and system usage procedures continue to be implemented to ensure the security of physical and digital assets.
A document containing personal information was left in an unrestricted shared-use area.	Relevant personnel received KVKK and information security training. Periodic shared-area inspections and internal audits were planned.	Audits and internal control practices continue to be implemented regarding secure document management and shared-area usage rules for the protection of personal data.

Governance Audits and Assessments

Ereteks monitors its corporate governance performance through regular audit and assessment processes covering quality management, information security, supply chain practices, and management systems. These processes are implemented to encompass both our own operations and relevant suppliers within our value chain.

Audits are planned and conducted in alignment with national regulatory requirements, international management system standards, and customer expectations. Assessments carried out under the ISO 9001 Quality Management System and ISO 27001 Information Security Management System frameworks support the verification of process compliance, the effectiveness of control mechanisms, and the robustness of data protection practices.

In 2023, Phase I of the Responsible Program, conducted within the scope of the Ministry of Trade's Green Deal Compliance Project Support, was successfully completed. The program aims to integrate sustainability principles into the corporate governance structure and supply chain practices. The completion of the Ministry approval processes and transition to the implementation phase are planned by March 2024.

Audit and assessment findings are systematically analyzed, improvement actions are planned, and implementation outcomes are monitored. This approach enables Ereteks to manage its governance performance within a transparent, measurable, and risk-based management approach.

Audits / Assessment	Ereteks Istanbul Operations	Ereteks Fatsa Operations	TSM	RDK	HK	BEYDUR	PRİNTSAN	ÖRGİM	FERSAN	EMBOGAN
ISO 9001 Quality Management System	##	##							■	
ISO 27001 Information Security Management	##	##								
Green Deal Compliance Project Support – Responsible Program	##	##								

Supply Chain Governance and Traceability

At Erateks, we embed transparency, accountability, and sustainability principles throughout every stage of our supply chain. Our value chain is monitored and regularly evaluated through a risk-based approach aligned with environmental, social, and ethical performance indicators. To ensure that all inputs used in our production processes are sourced responsibly and reliably, our supplier network is periodically reviewed. Supplier performance is monitored and evaluated monthly not only in terms of environmental impact, social compliance, chemical management, and occupational health and safety criteria, but also with respect to quality, product conformity, and process management performance within the scope of the Quality Management System.

To verify suppliers' compliance with international standards, we systematically monitor the scope and validity of certifications such as the Global Organic Textile Standard (GOTS), Global Recycled Standard (GRS), Organic Content Standard (OCS), Recycled Claim Standard (RCS), and OEKO-TEX®.

The validity and product-level accuracy of these certifications are confirmed through third-party verification mechanisms, including Scope Certificates and Transaction Certificates (TC) issued by accredited certification bodies. This process ensures compliance with our customers' traceability and responsible sourcing requirements.

Our supplier portfolio consists of a balanced structure including direct and indirect business partners. This structure supports traceability and quality assurance throughout the entire process, from raw material sourcing to finished product delivery.

Through this systematic approach, we aim to strengthen social compliance, environmental performance, and circular production principles not only within our own operations but across our entire value chain. Continuous improvement remains a core priority in areas such as fair working conditions, chemical risk management, waste reduction, and carbon footprint mitigation.



Supply Chain



Material and Product Management

At Enateks, material and product management is structured to ensure product safety, quality continuity, and traceability. Fabrics as our primary production input, are systematically checked through purchasing and planning processes, with regular analysis of content composition and sourcing geography to support operational stability and risk control.

Our fabric portfolio is polyester-based, complemented by cotton-containing fabrics. Polyester is sourced from Türkiye, China, and Malaysia, while cotton is supplied from Türkiye, Greece, and Australia. All sourcing decisions are governed by technical specifications, quality standards, and customer approval processes.

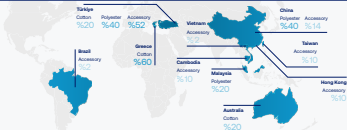
Fabric Raw Material Composition



Accessories are sourced through an approved supplier network across Türkiye and selected international markets, including China, Hong Kong, Cambodia, Taiwan, Vietnam, and Brazil. Procurement processes are aligned with regulatory compliance, product safety requirements, and brand standards.

Supplier partnerships are managed not only from a commercial continuity perspective but also through environmental and social compliance expectations, supported by ongoing risk assessments. This approach enables Enateks to keep a transparent, traceable, and sustainability-oriented material management model.

Raw Material Countries of Origin



Certification and Traceability

At Erateks, we ensure quality, trust, and sustainability across all our processes, from production to governance, in compliance with international standards. Our ISO 9001, 14001, 45001, 50001, and 27001 management systems are a comprehensive approach to quality management, environmental performance, energy efficiency, occupational health and safety, and information security. These systems enable us to effectively manage risks within the environmental, social, and governance (ESG) framework, while supporting our transparent reporting structure aligned with our sustainability standards.

At the product and supply chain level, our certifications, including GOTS, GRS, OCS, RCS, BCI, and OEKO-TEX® ensure traceable, responsible, and ethical production processes from raw material to finished product. These certifications verify our performance in product safety, social compliance, chemical management, and circular production through internationally recognized validation mechanisms.

For Erateks, certification is not merely an audit requirement; it is a fundamental indicator of transparency, continuous improvement, and reliability. Guided by this understanding, we fulfill our environmental and social responsibilities while providing our stakeholders with verifiable ESG performance data. Our certifications and management systems carry Erateks' culture of responsible production into the future, in alignment with global sustainability goals.



Quality Inspections

At Eratteks, quality management is implemented through an integrated structure covering all processes from product development to shipment. Control mechanisms applied at each stage of production are shaped in line with customer expectations and international standards and are supported by process-based risk assessments.

Throughout 2023, both internal Eratteks quality controls and customer quality inspections resulted in success rates of 94% and above. This performance reflects the effectiveness of our standardized audit structure and continuous improvement approach.

To verify product conformity, our laboratory infrastructure is actively utilized. As of the end of 2023, our laboratory successfully completed the SGS approval process, and testing

activities continue to be conducted within this framework. Our laboratory performs physical strength and durability tests (tensile strength, button pull, seam slippage), colorfastness tests (washing, rubbing, perspiration, and water fastness), dimensional stability tests (shrinkage, spirality, and fabric weight determination), chemical compliance tests (pH measurement), as well as ageing and performance tests (ageing, phenolic yellowing, and odor testing). Through these analyses, the quality, durability, and product performance of our products are systematically verified.

Quality monitoring and assessment activities carried out across the supply chain ensure that business partners' compliance with defined standards is regularly reviewed. This comprehensive approach supports the sustainable maintenance of customer satisfaction.

Eratteks Quality Inspections

1,967

Total Inspections

5,85%

94,15%

115

Unsuccessful Inspections

1,852

Successful Inspections

Customer Quality Inspections

217

Total Inspections

5,53%

94,47%

12

Unsuccessful Inspections

205

Successful Inspections



Total Quality Management and Continuous Improvement

In 2023, Eretek continued to conduct regular Internal Quality Management System (QMS) audits across its operations in order to strengthen operational performance and management systems. These audits are systematically carried out to evaluate process effectiveness, identify risks at an early stage, and determine areas for continuous improvement.

In addition, Eretek's facilities were regularly assessed through operational excellence and lean manufacturing-focused audits conducted by key strategic partners, including adidas and PUMA. This multi-stakeholder audit approach supports alignment with international standards and contributes to the continuous enhancement of operational processes in line with global expectations.

Corrective action plans developed based on audit findings are systematically monitored, and implementation outcomes are tracked. This approach enables Eretek to manage quality, efficiency, and sustainability performance in an integrated and structured manner.

QMS Audits

Audits/ Assessment	Eretek İstanbul Operations	Eretek Fatsa Operations	TSM	SEK	HK	BEYDUR	PRINTSAN	ÖRGİM	FERİSAN	EMİGÖRAN
PUMA	II	II	II	II						
Internal Audits	II	II	II	II	II					

Digital Transformation Journey

In 2023, Erateks continued its transition toward a fully digital, traceable, and data-driven operating model across all operations. Through the ERATECH system, cross-functional data flow was strengthened, enhancing speed, control, and transparency. Digital maturity was comprehensively measured at the departmental level in 2023 and evaluated against standardized criteria. This framework has enabled greater comparability and better process management across operations.

Istanbul Operations Digitalization Rates



Fatma Operations Digitalization Rates



Our Collaborations

In 2023, Erateks carried out collaborations with certification bodies, consulting firms, independent audit organizations, public institutions, and non-governmental organizations to strengthen its sustainability performance.

Within the scope of environmental sustainability, Erateks worked with internationally recognized verification and assessment bodies on carbon reporting, environmental data validation, waste management, and certification processes. These partnerships enabled the systematic measurement, monitoring, and improvement of our environmental impacts.

In the area of social sustainability, projects were carried out with civil society organizations and local stakeholders to support women's empowerment, child well-being, support for individuals with disabilities, and local community development initiatives.

Within the scope of governance and compliance, internal control mechanisms were strengthened through independent auditing, legal advisory services, social compliance assessments, and corporate sustainability consultancy support.

These partnerships have contributed to enhancing Erateks' environmental, social, and governance performance within a measurable and verifiable framework.



Polis Kurumları
Association for
the Disabled



KarbonStation

il moodivation

qlub



KETEM



Leadership & Sustainability



SAYGIN



Case Study

Erateks approaches digitalization not as a rapid transformation covering all functions simultaneously, but as a strategic tool grounded in objective analysis and designed to support governance decision-making.

In 2023, a comprehensive, department-based digital assessment was conducted across the organization. Production, human resources, and support functions were evaluated against criteria such as process standardization, data integrity, and system integration. The analysis revealed that while certain units had reached a high level of digital maturity, some processes still require manual execution.

Based on these findings, digital transformation initiatives were prioritized according to impact and operational need. Resource allocation and investment decisions were restructured within a data-driven framework. The assessment findings are also used as governance inputs to strengthen risk management and internal control mechanisms.

Through this approach, Erateks has positioned digitalization as a phased, measurable, and sustainable corporate development process, contributing to improved operational efficiency, transparency, and decision-making speed.



Case Study

In 2025, Erteka strengthened the integration between operational efficiency and environmental sustainability performance through a structured collaboration with independent Lean Manufacturing professional Engineer.

Within the scope of this engagement, a comprehensive Lean Manufacturing and Operational Excellence assessment was conducted across our facilities. Process flows, value stream structures, capacity utilization, loss areas, and efficiency potential were analyzed in line with industry standards.

The resulting assessment report not only evaluated the current operational maturity level but also identified improvement opportunities related to resource efficiency, energy intensity, production flow optimization, and operational risk exposure.

One of the key outcomes of this initiative was the formal establishment of a Lean and Operational Excellence Unit within Erteka. Lean transformation activities were thereby institutionalized and integrated into a structured governance framework, ensuring that operational improvement efforts are systematic, measurable, and sustainable rather than project-based and fragmented.

During 2025, under this structure:



- **12 Operational Process Improvements:** Production flows were redesigned, bottleneck areas were analyzed, and workspaces were standardized through 6S practices. These efforts enhanced process discipline and resource efficiency.
- **Flow Optimization Across 15 Production Lines:** Workflow was simplified and accelerated in fabric inspection, accessories warehouse, sublimation printing, and outsourced production departments. The RMES system further strengthened data flow and traceability infrastructure.
- **Digitally Supported Operational Efficiency:** Material and information flows were supported through digital systems, while traceability capacity in critical areas was enhanced. As a result, preparation times were reduced and data accuracy was improved.
- **Waste and Risk Reduction:** Through SOP implementation and visualization initiatives, material errors, unnecessary stock, and rework rates were reduced. QMS risk levels were improved from orange to green.

This transformation not only delivered operational cost optimization, but also created a direct positive impact on energy consumption, carbon intensity, and resource-use efficiency. In this way, lean manufacturing practices progressed in full alignment with Erteka's environmental sustainability goals. Erteka positions operational excellence as a core pillar of its sustainability strategy, recognizing lean management as a key mechanism for long-term value creation, risk mitigation, and the transition toward a low-carbon and resource-efficient production model.

Governance Evaluation

At Erstebank, the governance structure is implemented through an integrated system built on risk analyses, audit processes, quality performance monitoring, supply chain controls, and ethical principles. Sustainability topics are regularly reviewed through defined performance indicators and management-level evaluations.

Throughout the year, ESG meetings, internal and external audits, and quality inspections enabled the measurement of processes, the analysis of deviations, and the planning of necessary actions. Data protection practices, supplier assessments, and internal control mechanisms support the monitoring of governance processes through tangible indicators.

In line with Erstebank's Vision2030 approach, governance provides a framework that supports the alignment of environmental and social objectives with operational practices. This structure contributes to maintaining a consistent, controlled, and transparent management approach.



With Appreciation to All Who Contribute to Our Journey

This sustainability report reflects the collective efforts of our teams, business partners, and stakeholders who share a common sense of responsibility at Erateks. We extend our sincere thanks to all colleagues who contributed through data collection, field implementation, strategic planning, and performance evaluation processes.

We are also grateful to our advisors for their guidance, to our customers for their constructive feedback, and to our suppliers and community partners with whom we create shared value. Our sustainability approach is strengthened through collaboration, transparency, and mutual trust.

At Erateks, we remain committed to working together with our stakeholders to build a more fair, inclusive, and sustainable future while continuing to create long-term value responsibly.



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