

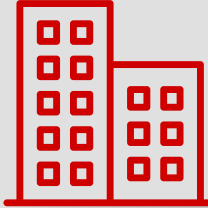
2022

**CORPORATE
SUSTAINABILITY
BULLETIN**



FETİH TEKSTİL

FETİH TEKSTİL



Fetih Tekstil San ve Tic. Ltd. Şti was established in 1996 and operates in 4 facilities in total, namely Istanbul, Malatya and Egypt.



This bulletin covers Fetih Tekstil Istanbul Head Office, Istanbul production facility, and three production facilities in Malatya.



Fetih Tekstil cooperates and works with international valuable brand buyers in the fields of design, material product development, production and sales export.

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Employee
Gender
Social Responsibility
Contact-Wish
Employee Satisfaction
Academy



ENVIRONMENT

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Chemical Management
Circularity
Carbon Footprint
Green Factory
Waste Management



ECONOMY

Design and Digitization
Design Center
Lean Production
ERP & Digital Maturity

CORPORATE



MESSAGE FROM MANAGEMENT

Dear Stakeholders,

Fetih Tekstil, operating under Taha Group with its 27 years of experience in the industry, contributes to the growth of the ready-made clothing industry in Türkiye. One of the core values of our business is 'Sustainability'.

We know that we have to not only achieve financial success, but also do our part for our society and environment. In this context, we continue our work with the passion of becoming a reliable and respected global company by keeping the philosophy of sustainability at our center.

As a company, we constantly organize studies in various areas to reinforce our commitment to sustainability. We carry out activities and take part in social responsibility projects to achieve our important goals such as reducing our negative environmental impact, increasing energy efficiency, improving waste management and saving water. We are also increasing our initiatives to provide more interaction with the society.

We are deeply saddened by the earthquake that occurred in our country on February 6, 2023 and affected 11 provinces. May God have mercy on our citizens who lost their lives in the earthquake, and we wish patience to our country. We, as Fetih Tekstil Family, first of all continue to provide material and moral support to our colleagues in Malatya and other provinces affected by the earthquake.

2023 is a sad year in which we witness not only the earthquake disaster, but also heavy rainfall, floods and forest fires that occur as a result of global climate change. These indicators pointed out to us that there are areas where we need to take faster action for a globally sustainable world. As Fetih Tekstil, we hope that such disasters will not happen again.

During the millennium, when technological advances were rapid and digital transformation took place, the development of IoT (internet of Things) has speeded up and made a potential contribution to many areas related to sustainability.

We, as Fetih Tekstil, follow digitalization efforts closely, aiming to increase economic and environmental efficiency by integrating such efforts into our corporate processes.

Societal gender equality is an issue of vital importance for social sustainability. We advocate that men and women are equal in all areas of business and social life. In this regard, we care about societal gender equality and continue to raise awareness among all our employees on this issue. Additionally, we accept the employment of women employment as an indispensable element of economic development and a sustainable life.

The values of decent work and sustainability are the cornerstones of our business and society. We comply with national and international laws and regulations. We see it as our duty to provide a safe and peaceful working environment for our colleagues.

Implementation of a circular economy is an important step toward protecting natural resources and leaving a more livable world for future generations. For this reason, we include the waste generated within our body into the circular ecosystem and continue our work to create a positive impact. During this year, we updated our OCS, RCS, GOTS, and GRS certifications, which support sustainable production. We received the RegenagriCS certificate. We also encourage our supply chain towards sustainable production. In our sustainability journey, we continue to strengthen our relationships with our stakeholders to ensure continuity in cooperation.

Having been put into operation in 2022, our Fetih Tekstil Malatya-3 Factory is classified as Leed-Gold by USCBC. With this investment, we received the first green factory certificate in Malatya. We aim to further minimize our environmental impact through our renewable energy and energy efficiency efforts.

An important step in our sustainability journey is the establishment of the Corporate and Supply Chain Sustainability Department within Fetih Tekstil in 2020. Because we are always happy to work for a green, fair and ethical world, sustainability will always continue to be at the center of our business and guide us to achieve our future goals. We are constantly improving ourselves with the support of our colleagues throughout our long-standing sustainability journey. We, as Fetih Tekstil, will speed up our sustainability efforts and continue to share our work with our stakeholders and society to leave a livable world to future generations.

I will always be proud of moving forward together, sharing our successes and overcoming challenges together to build a sustainable future, which is our biggest goal. I would like to thank all our stakeholders and colleagues with whom we cooperate for their sensitivity to this issue.

İHSAN KISACIK

GENERAL MANAGER

We are happy to share with you the Sustainability Bulletin we prepared for 2022. This bulletin includes the works carried out in Fetih Tekstil enterprises. The bulletin also covers our sustainability efforts and goals for the coming year. We act with the responsibility of leaving a world for future generations. In this sense, we took our sustainability goals even further in 2022, focusing on reducing our environmental impact, strengthening social participation and producing innovative solutions in our business model.

To create a social influence, we concentrated our attention on collaborations with local communities and carried out social projects. We continue to raise awareness within the institution with our gender equality efforts that we started in 2022. We are happy and proud to be a signatory of the UN Global Compact-Women Empowerment Principles, subject to HIGG INDEX, SLCP evaluations and have GOTS, CRS, OCS, RCS and ReganagriCS certifications.

I would like to thank my colleagues and stakeholders who contributed to and cooperated in sustainability studies and preparation of the bulletin.

“
KÜBRA KARABAL
SUSTAINABILITY ASSISTANT SPECIALIST
”

“
TUĞÇE ÇERKEZOĞLU
EMPLOYEE REPRESENTATIVE
”

Sustainability is an important concept to protect the welfare of today and future generations and to use natural resources effectively. Sustainability is an important value for our company, and we strengthen this value every day with your contributions. We have taken important steps towards protecting our natural resources by improving electricity, water and waste management processes. The success of sustainability is possible with the participation and sensitivity of each of us and our employees.

The health, safety and well-being of our colleagues has always been a priority for our company. By putting equality and justice first, we continue our efforts to raise more awareness about gender equality and support diversity. At the same time, we continued to create positive impacts on our society by participating in social responsibility projects.

We will continue to work together to make our company a better place.

I am proud to be a part of our sustainability journey. I would like to thank all our colleagues, especially my managers, who contributed to our work.

CORPORATE SUSTAINABILITY

STRATEGY

Fetih Tekstil's sustainability strategy is handled under four main headings within the scope of environment, economic and social dimensions and based on the strategic objectives of the institution.

In line with our customer-oriented service approach, long-term sustainable business partnerships are established with our customers in the fields of supply, production and logistics.

With a sustainable process management approach based on lean management, our competitiveness is increased by increasing efficiency and that helps us to enter new markets.

In line with our approaches and policies focused on the Universal Declaration of Human Rights, the International Labor Organization (ILO) and the Labor Laws and Regulations of the Republic of Turkey, our activities are carried out on the basis of the continuity of employee development and our strong corporate culture.

Sustainable products and solutions that we develop with our R&D and Innovation management increase our competitive power.

The social responsibility projects we develop with the awareness that we are a part of the society and the environmental policies we follow increase our motivation for a sustainable world.

VISION

Since is Fetih Tekstil has been carrying out institutionalization, sustainability and sustainable development activities in cooperation with stakeholders.

The UN Sustainability Development Goal's and Turkey's sustainable economic growth goals are the main motivation of Fetih Tekstil.

SUSTAINABILITY ROADMAP

Social Compliance Procedures have been established.

R&D and Design center operations have commenced. The first Sustainability report has been prepared.

The Corporate and Supply Chain Sustainability Department has been established. We have become a signatory of the Women's Empowerment Principles (WEPs).

The LEED-certified green factory was opened in the province of Malatya which is the first.

2014

2016

2017

2019

2020

2021

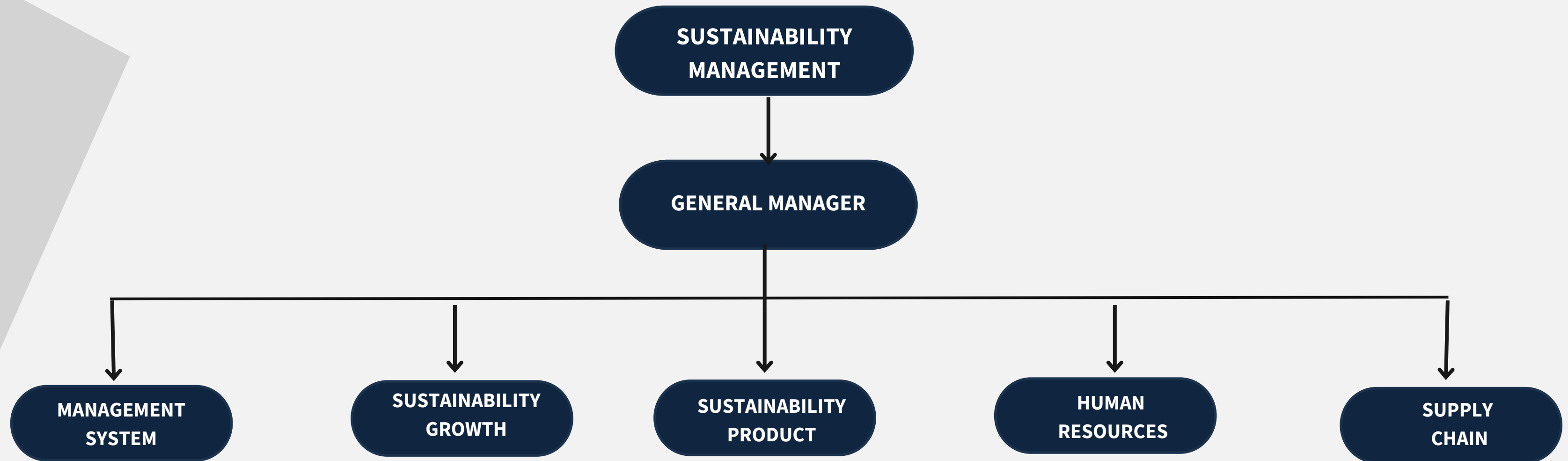
2022

Energy efficiency measurement has been conducted.

Lean transition has been completed. The corporate carbon footprint 5 S initiatives have been carried out. Investments in 3D programs were made for digital transformation.

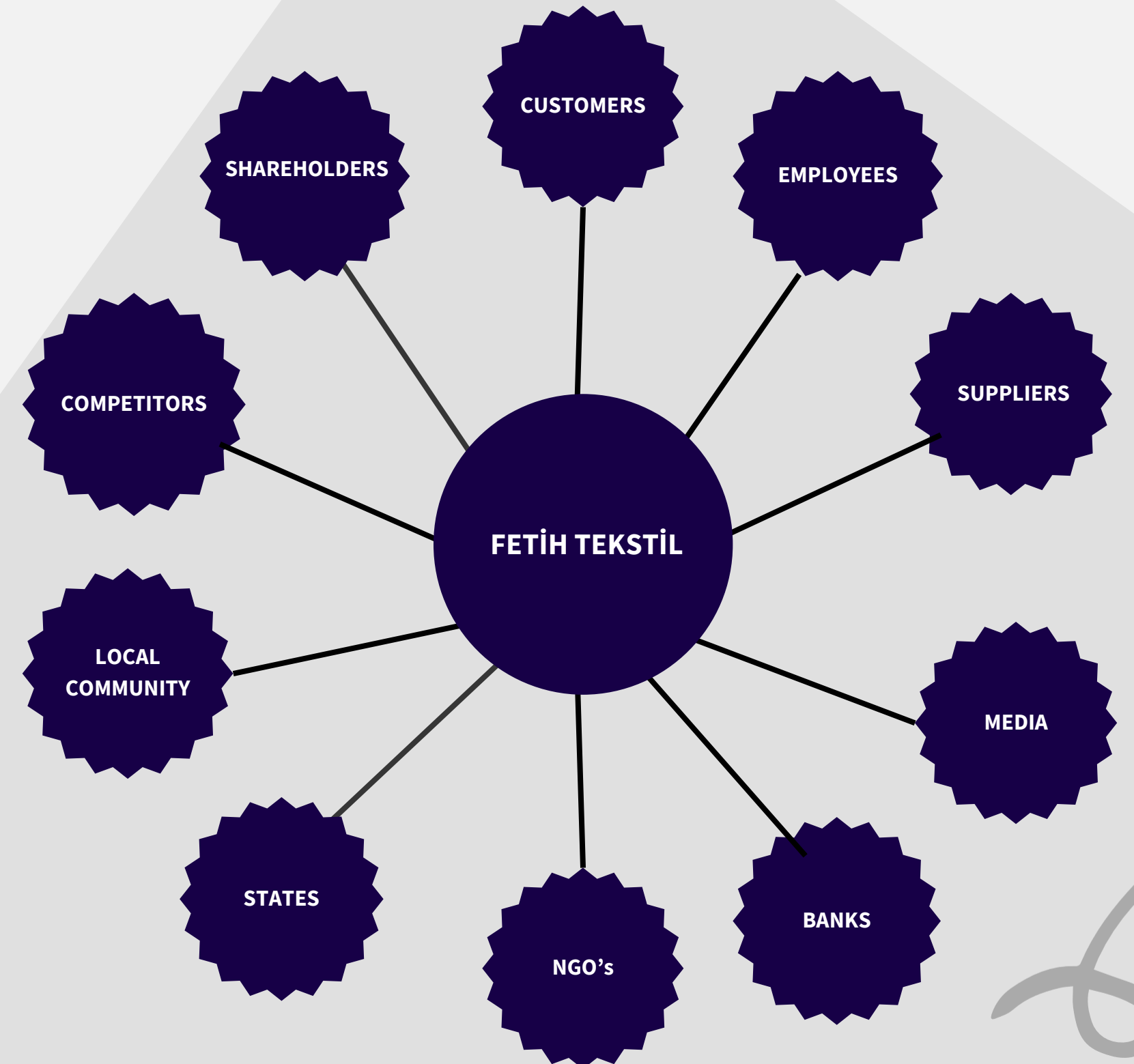
was measured for the first time.

SUSTAINABILITY MANAGEMENT



The Sustainability Committee determines the sustainability approach of the company, creates its policies and strategies, prepares the action plan, determines the targets and monitors the sustainability performance.

STAKEHOLDERS



It communicates work within the framework of a sustainable and constructive approach that takes into account the expectations and needs of stakeholders.

CORPORATE

SOCIAL

ENVIRONMENT

ECONOMY

PRIORITIZATION MATRIX

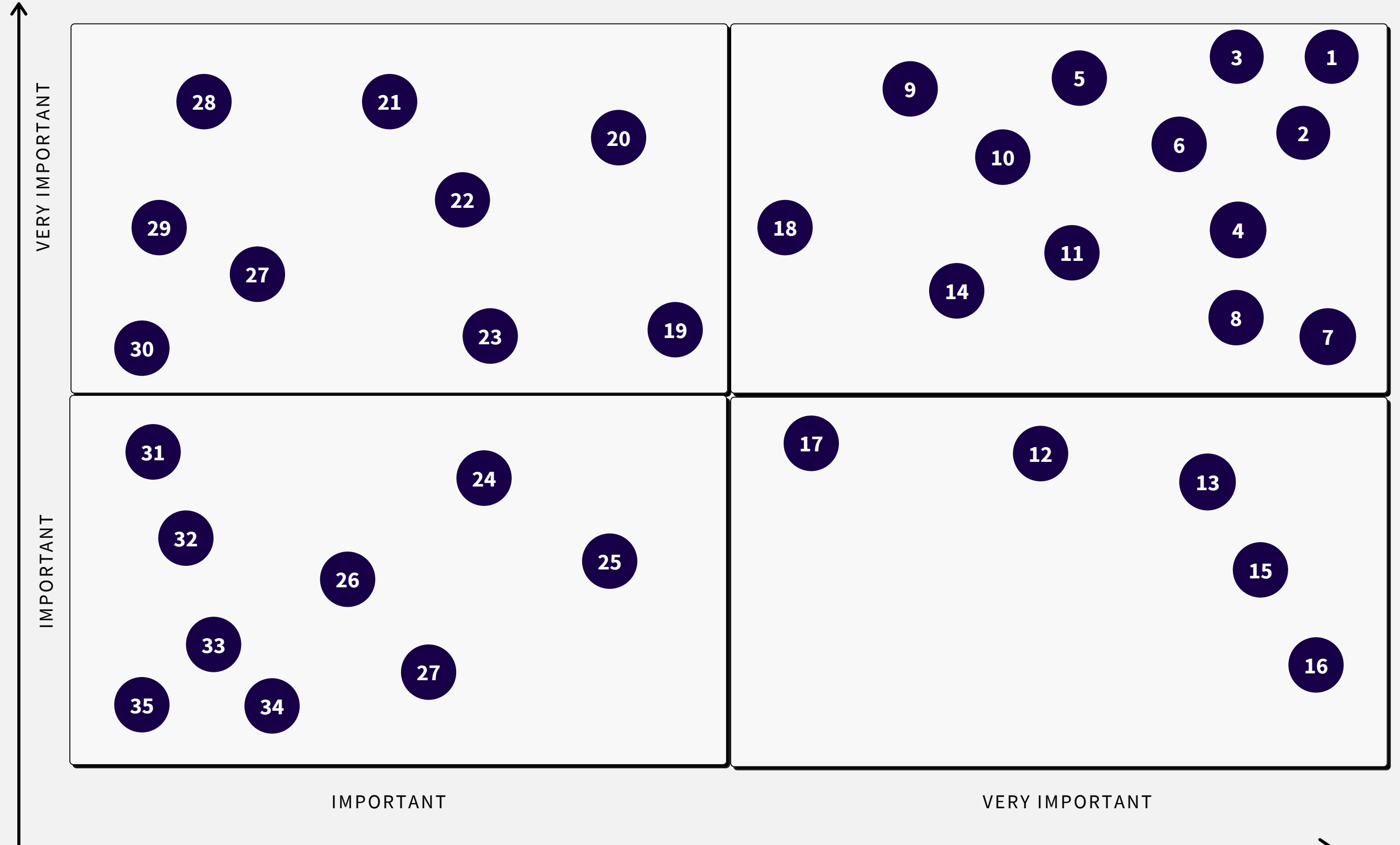
URGENT

VERY URGENT

VERY HIGH URGENT

- 1-EFFICIENT MANAGEMENT
- 2-CUSTOMER CONFIDENTIALITY
- 3-CUSTOMER SATISFACTION
- 4-OCCUPATIONAL HEALTH AND SAFETY
- 5-CIRCULAR ECONOMY
- 6-EMPLOYEE RIGHTS
- 7-SUSTAINABILITY GROWTH
- 8-ENVIRONMENTAL SUITABILITY
- 9-ENERGY EFFICIENCY
- 10-WASTE MANAGEMENT
- 11-FIGHTING CHILD LABOUR
- 12-RENEWABLE ENERGY
- 13-WATER MANAGEMENT
- 14-ANTI-DISCRIMINATION
- 15-CLIMATE CHANGE
- 16-GREENHOUSE GAS EMISSION
- 17-EDUCATION
- 18-LOCAL PROCUREMENT
- 19-ENVIRONMENTAL SUITABILITY IN SUPPLY CHAIN
- 20-DISHONEST TRADING
- 21-LABOR RELATIONS
- 22-SOCIO-ECONOMIC SUITABILITY
- 23-GROSS ECONOMIC BENEFIT
- 24-SOCIAL SUITABILITY IN SUPPLY CHAIN
- 25-DIGITALIZATION
- 26-HUMAN RIGHTS ASSESSMENT
- 27-INCLUSIVITY AND DIVERSITY
- 28-SHAREHOLDER COMMUNICATION
- 29-FIGHT AGAINST CORRUPTION
- 30-LOCAL DEVELOPMENT
- 31-PARTNERSHIP FOR THE GOALS
- 32-MARKETING AND CERTIFICATION
- 33-RIGHT OF ORGANIZATION
- 34-MARKET CONDITIONS
- 35-BIODIVERSITY

IMPORTANCE TO EXTERNAL STAKEHOLDER



IMPORTANCE FOR FETİH TEKSTİL

SUSTAINABILITY DEVELOPMENT GOALS

FETİH TEKSTİL

PRIORITY ISSUES

RELATED SUSTAINABLE DEVELOPMENT GOALS

EXEMPLARY PRACTICE

ENERGY AND EMISSION



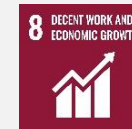
RENEWABLE ENERGY
ENERGY EFFICIENCY PROJECTS

USE OF NATURAL SOURCES



RAINWATER COLLECTION
WASTE MANAGEMENT

SUSTAINABLE PRODUCT DESIGN



SUSTAINABLE PRODUCT DESIGN
R&D STUDIES

CIRCULAR ECONOMY



CERTIFICATIONS
(GOTS,OCS,RCS,GRS)

BIODIVERSITY



PLANTING TREES
PLANT SELECTION SUITABLE FOR CLIMATE

CLIMATE ACTION



CORPORATE CARBON FOOTPRINT CALCULATION
CARBON OFFSET STUDIES

BE THE EMPLOYER OF CHOICE



FETİH TEKSTİL ACADEMY, SOCIAL GENDER EQUALITY
OCCUPATIONAL HEALTH AND SAFETY PRACTICES

COLLABORATIONS



LOCAL GOVERNMENT
COOPERATION WITH INSTITUTIONS AND ORGANIZATIONS

DIGITIZATION



MONITORING ENERGY AND WATER CONSUMPTION
USING THE ONLINE INTEGRATED MANAGEMENT SYSTEM

SOCIAL



CORPORATE

SOCIAL

ENVIRONMENT

ECONOMY

SEMTRIO- CORPORATE
CARBON FOOTPRINT CALCULATION

INDUSTRY-UNIVERSITY INTERNSHIP
AND JOB OPPORTUNITY PROTOCOL

İHKİB&HUGO BOSS URGE
INDUSTRY 4.0 PROJECT

MINISTRY OF INDUSTRY & MEB HIGH
SCHOOL TECHNICAL TRIP PROGRAM

COLLABORATION

CONSULTANCY



1098 HOURS WORKFORCE
DEVELOPMENT



432 HOURS
ENVIRONMENT



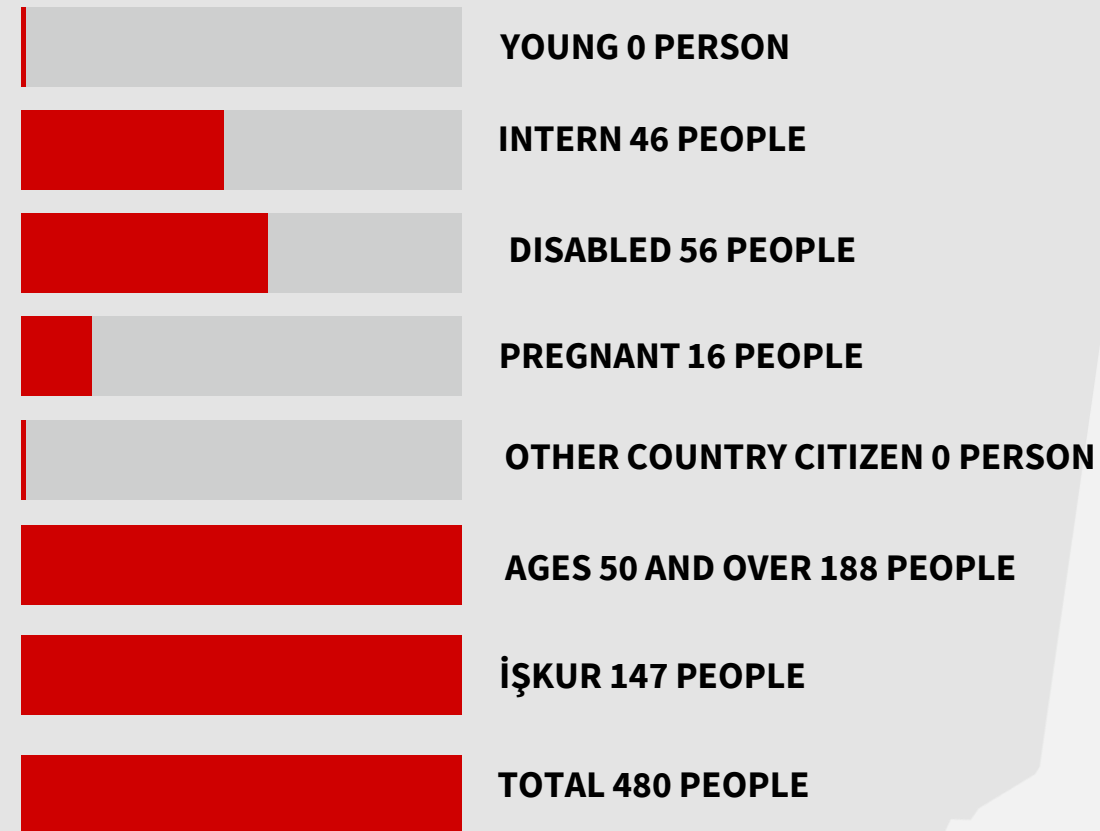
1248 HOURS PUBLIC
HEALTH AND SAFETY UNIT



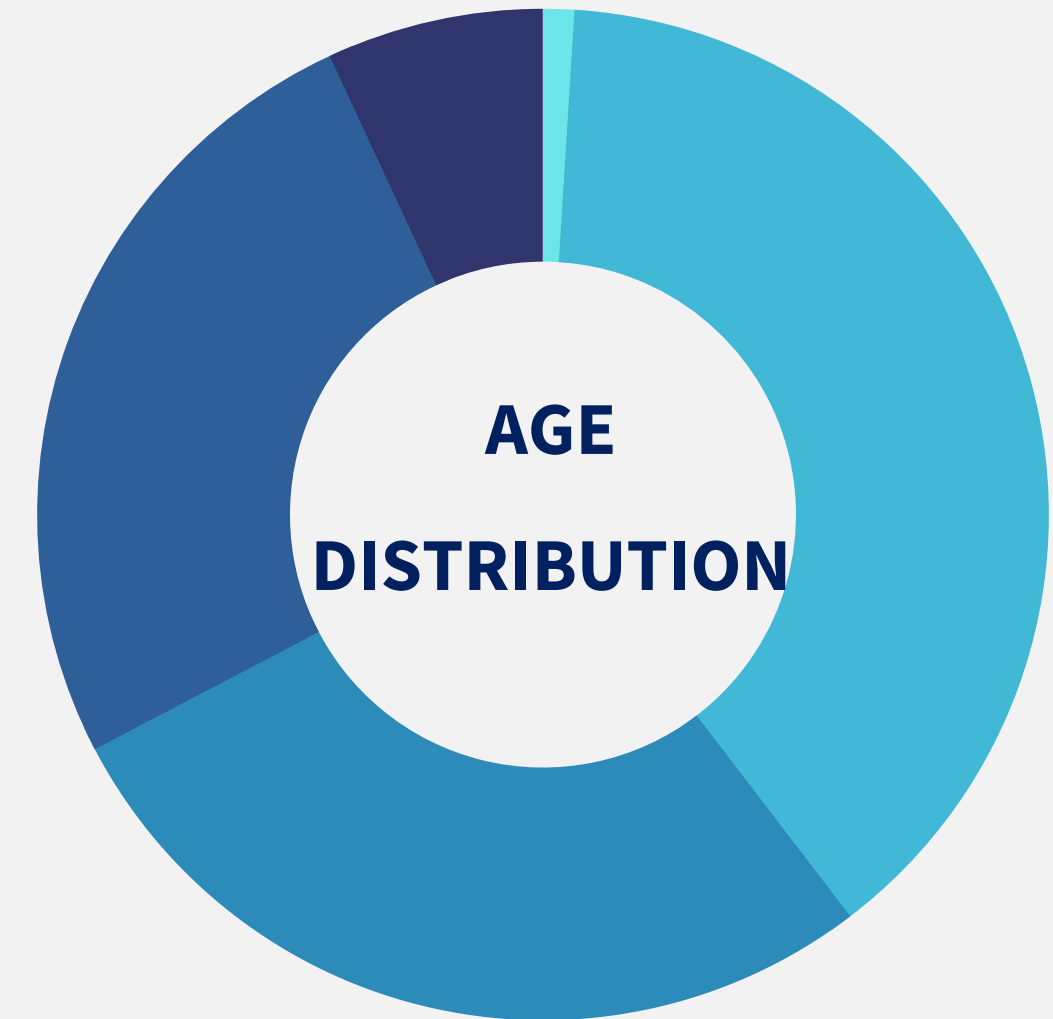
1341 HOURS ORGANIZATIONAL
DEVELOPMENT

2796 EMPLOYEES

VULNERABLE EMPLOYEES



By the laws and regulations, within the scope of 'Fetih Tekstil Working Values and Principles', its inclusiveness and diversity consider a fair and good working environment as an integral part of a productive and happy workforce.



16-18 AGE 0%



30-39 AGE 28%



50-59 AGE 7%



19-29 AGE 39%



40-49 AGE 26%

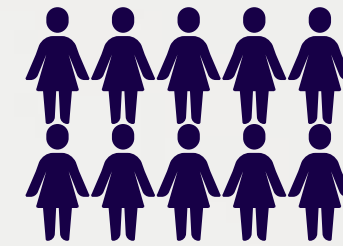
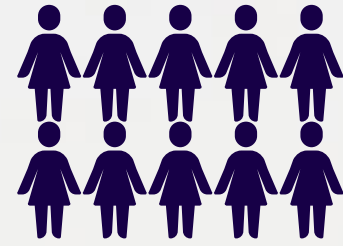


GENDER

BLUE-COLLAR

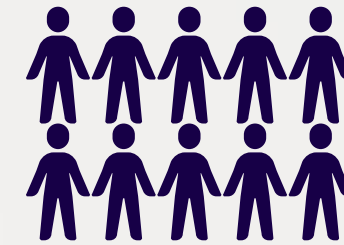
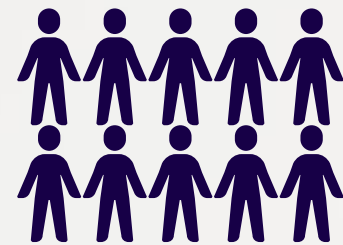
WHITE-COLLAR

40% WOMAN

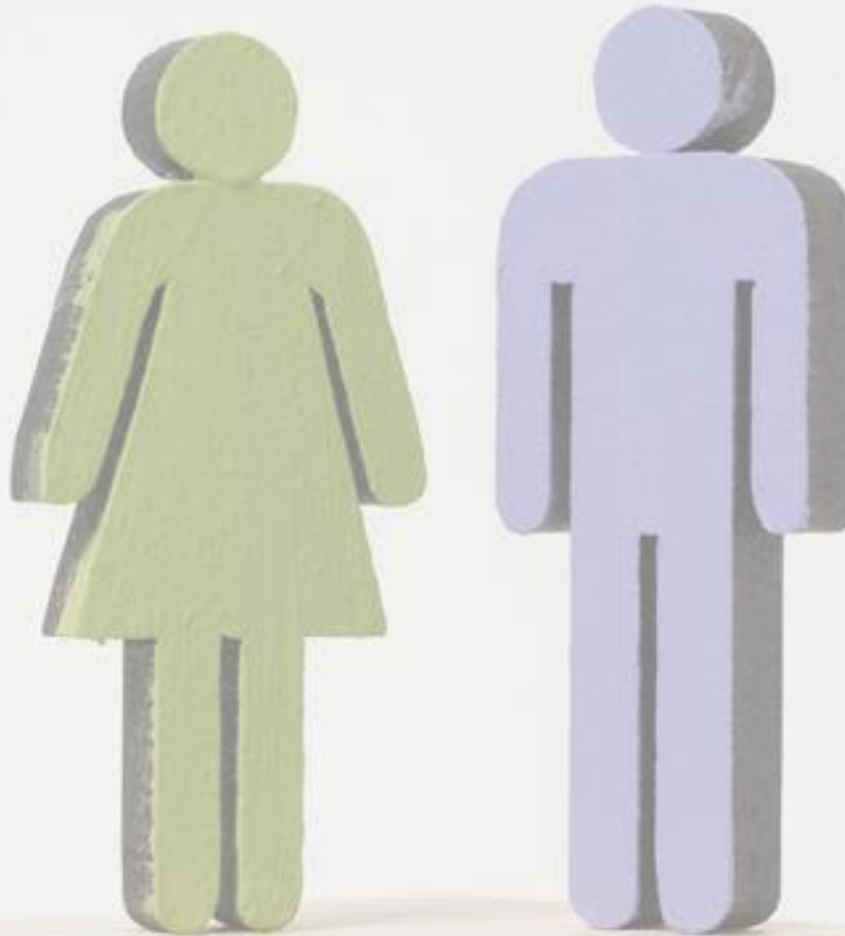


51% WOMAN

60% MAN



49% MAN



SOCIAL RESPONSIBILITY

WOMAN EMPOWERMENT PRINCIPLES STUDIES

-SEE YOUR POWER ;
 It supports the project implemented by the Women's Solidarity Foundation (KADAV), inspired by an immigrant woman.

34 women were benefited from nursery facilities in 2022.

40 nursery students were taken waste management training in 2022.

120 kg of idle bread was collected separately and turned into cat and dog food.

Separately collected electronic waste was donated to the 'E-Waste for Autism' project.

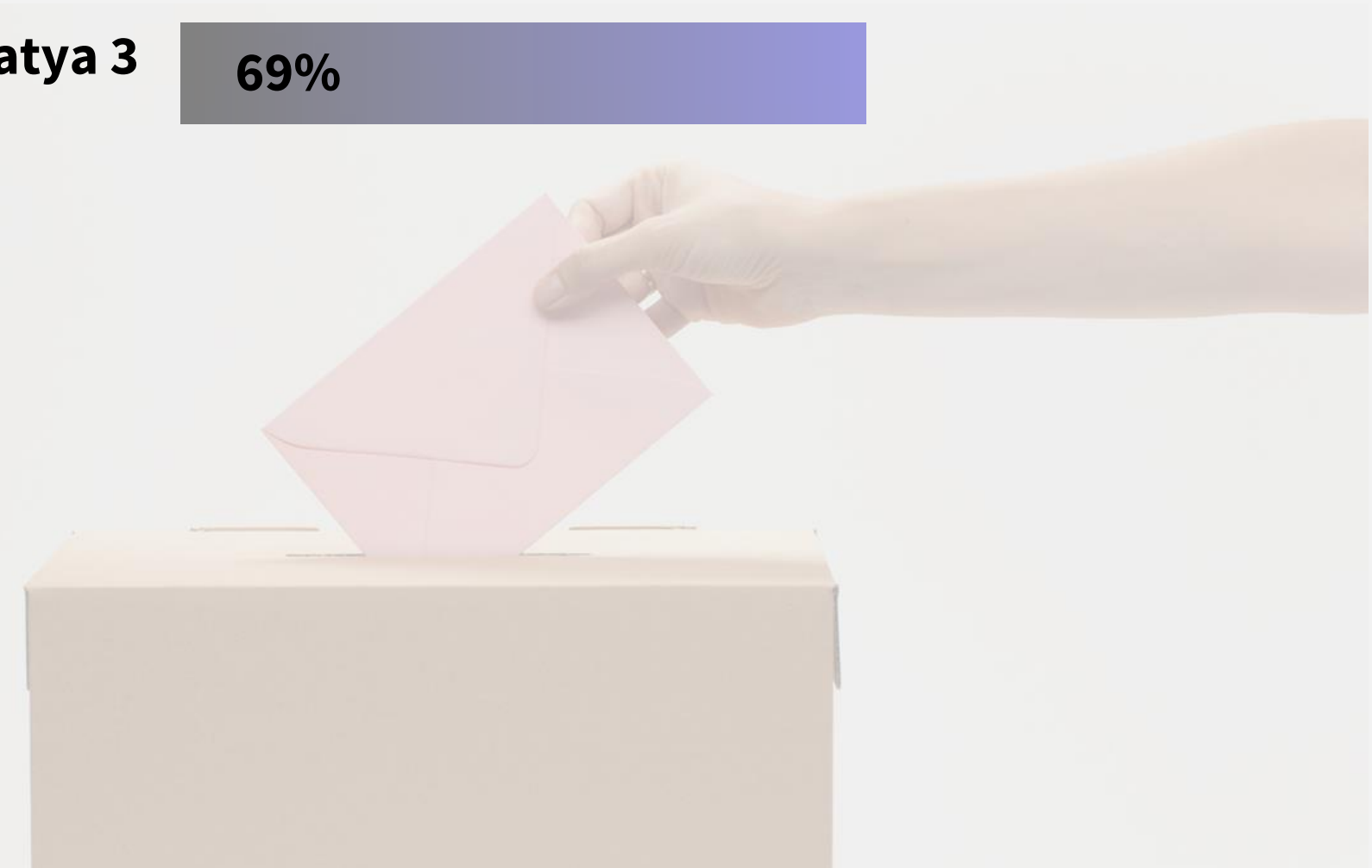
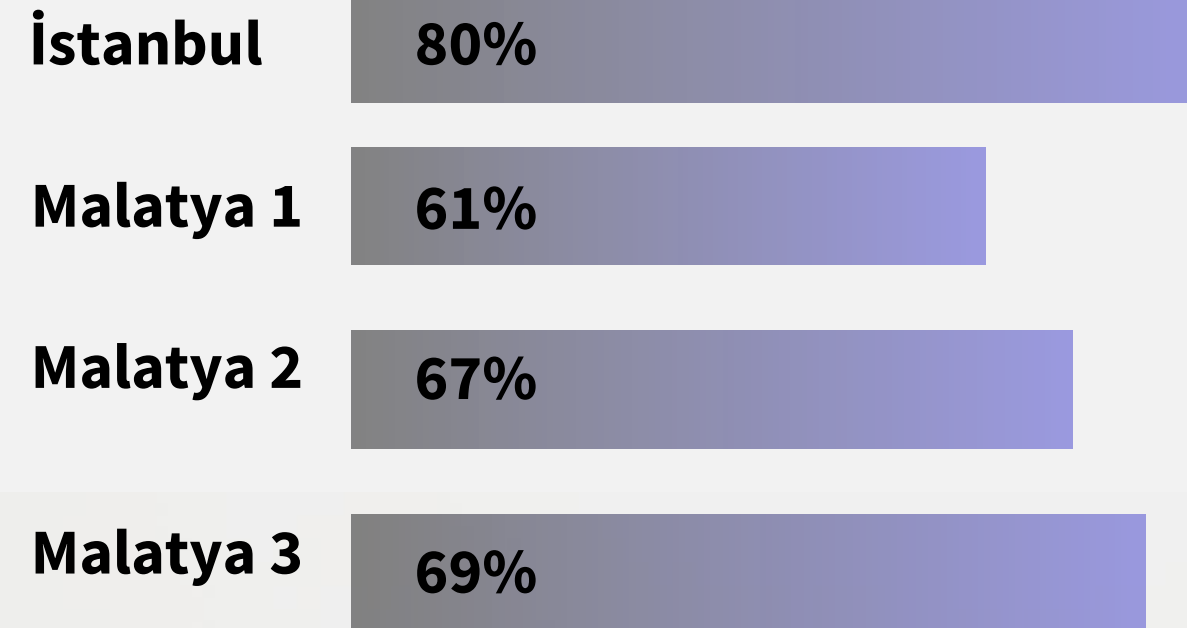
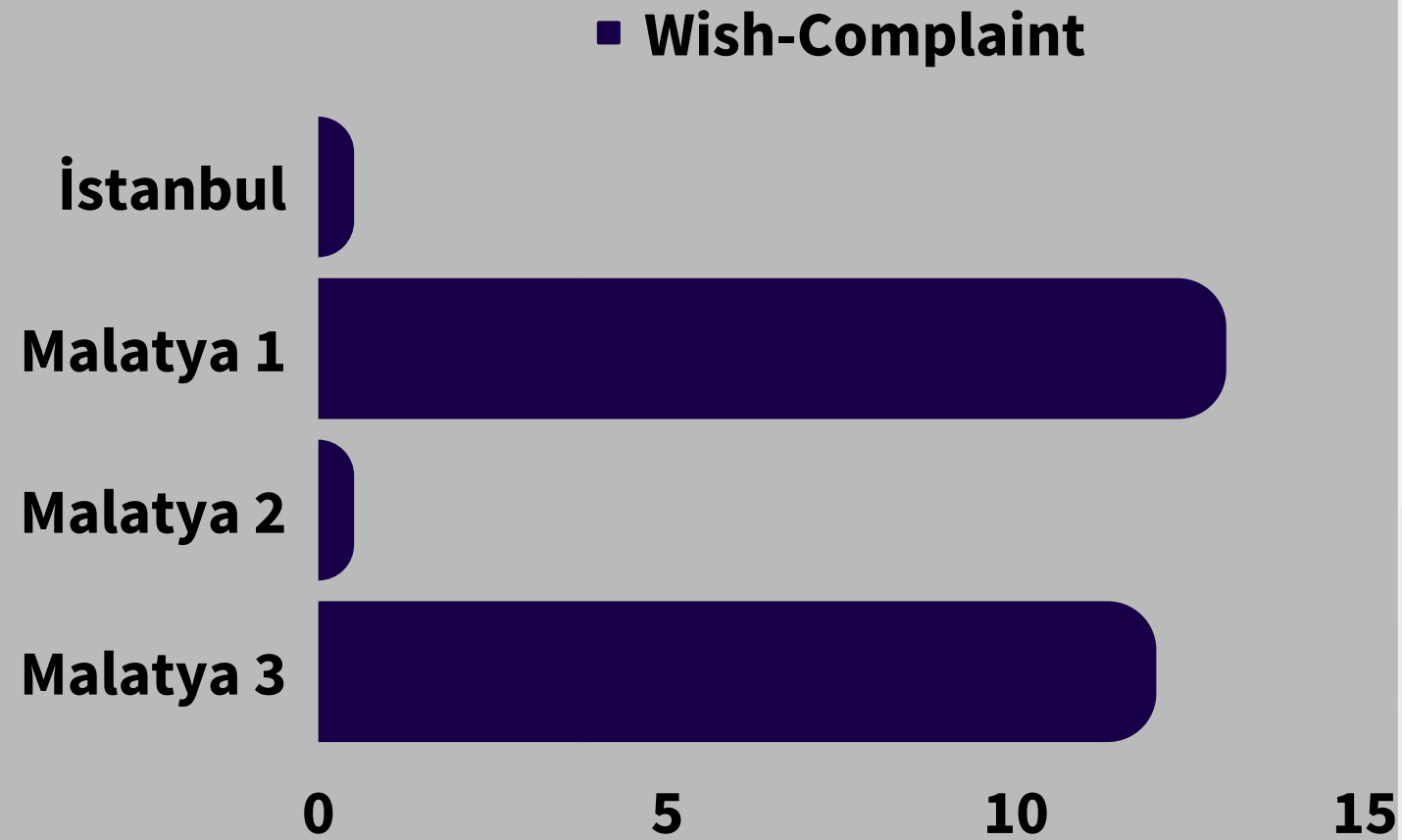
We continue to raise awareness with our gender equality training.

A support project for village schools is being carried out.



WISH-COMPLAINT

EMPLOYEE SATISFACTION



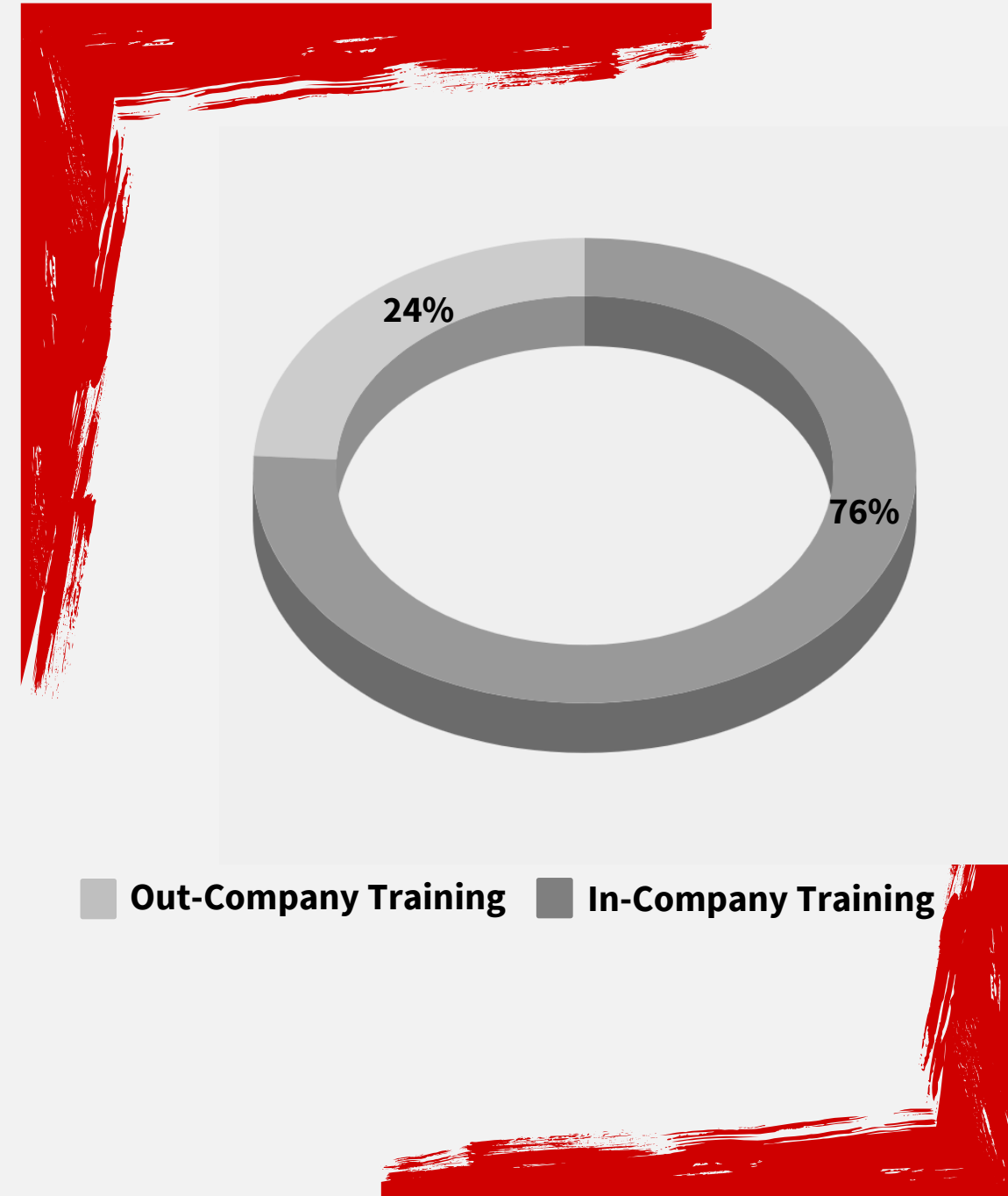


ACADEMY



Since the day it was established in 2017, Fetih Academy provides its employees with a variety of professional development, performance management, personal development, etc., with a modern and comfortable working environment. It provides an enjoyable educational environment about the subjects.

Fetih Academy has 106 Internal Trainers and 43 External Trainers.



Total planned training

1327

Total training time (hours)

16515

Total number of trainees

15956

Number of training per person

12.02

Training participation rate %

90.5

Achievement of educational goals %

90.5

ENVIRONMENT

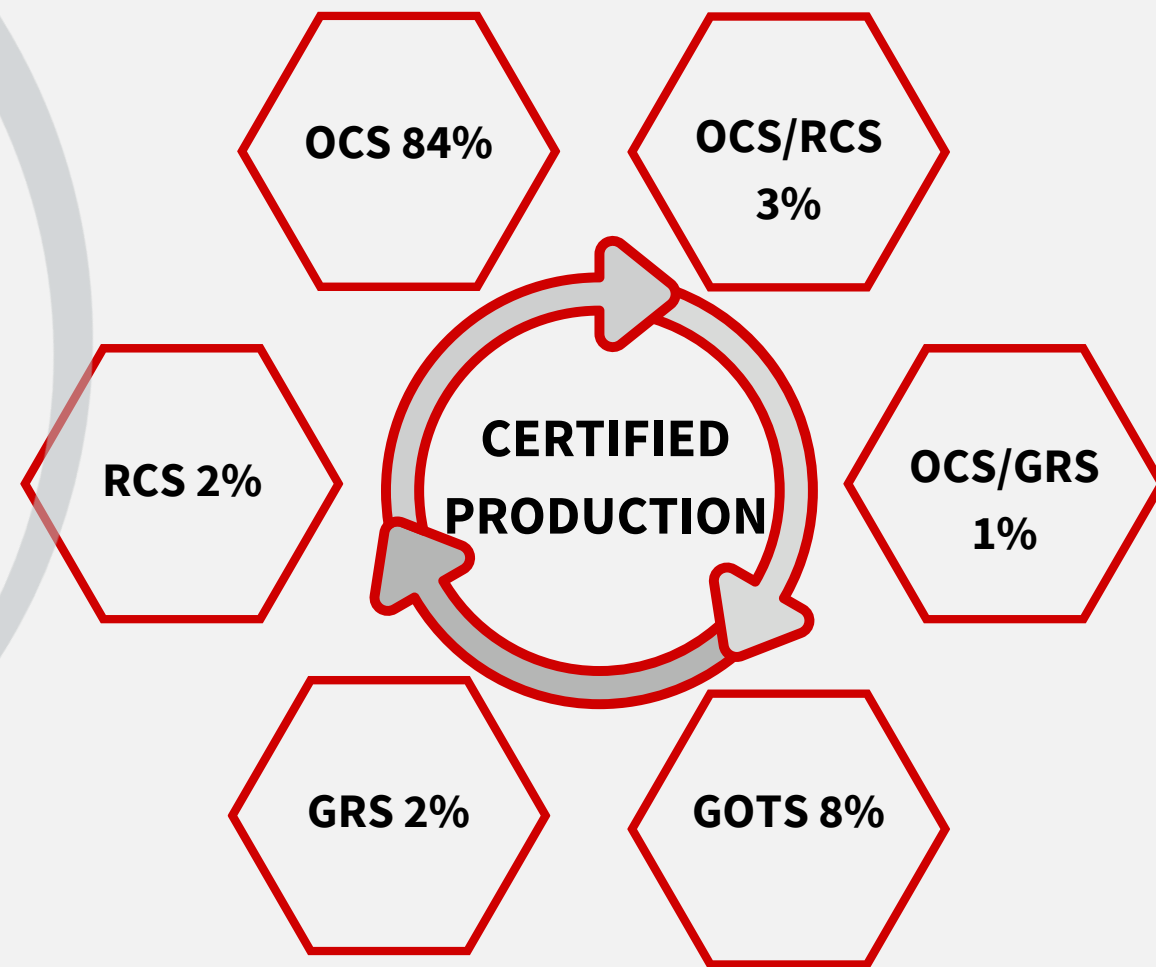


LEGAL REGULATIONS AND COMPLIANCE

	İSTANBUL FETİH	MALATYA FETİH 1	MALATYA FETİH 2	MALATYA FETİH 3
NUMBER OF REGULATIONS	44	55	55	55
LEGAL AUDIT	0	5	3	7
CONFORMITY	100%	100%	100%	100%

All mandatory legal permits are provided, and local regulations are complied with in environmental activities.

CIRCULARITY



An environmentally friendly production process is achieved with certified textile products.

CHEMICAL




Chemicals used in process and non-process processes are 100% REACH and OEKO-TEX compliant.

CORPORATE CARBON FOOTPRINT

For all locations, Scope 1, Scope 2 and Scope 3 were included and the carbon footprint for 2022 was calculated.



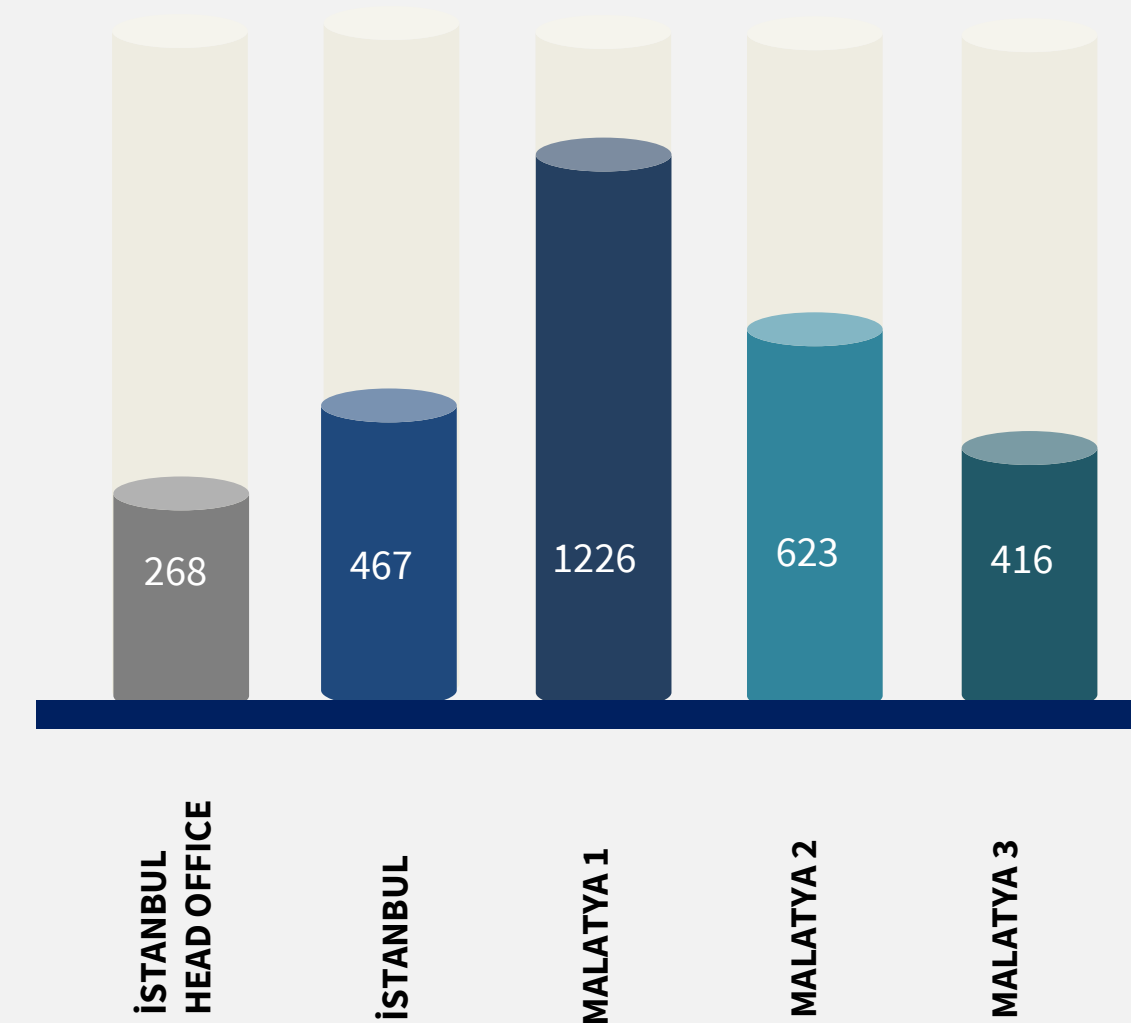
 Energy consumption is provided by Malatya 1 and 3 solar power plants.

 As of 2021, Istanbul has zeroed its carbon footprint due to electricity consumption thanks to the use of clean and renewable energy with an I-REC Certificate.



“ The amount of corporate carbon footprint measured in 2022 is 3000 tons of CO₂ eq. ”

Location Based Emission in 2022 (Ton)



GREEN FACTORY

ENVIRONMENTAL PRODUCT DECLARATION PRODUCT

ENERGY EFFICIENCY

GREY WASTEWATER TREATMENT

RAINWATER COLLECTION SYSTEM

SOLAR POWER

ELECTRIC VEHICLE CHARGING STATION

PLANTS SUITABLE FOR CLIMATE

RECYCLED MATERIAL

SAVING ON WATER



**MALATYA-3 FACTORY IS THE
FIRST LEED GOLD CERTIFIED
FACTORY OPENED IN
MALATYA.**



FETİH TEKSTİL SAN.TİC.LTD.ŞTİ.
MALATYA 3. ŞUBESİ

Malatya, Turkey

HAS FULFILLED THE REQUIREMENTS OF THE LEED GREEN BUILDING RATING SYSTEM CERTIFICATION ESTABLISHED
BY THE U.S. GREEN BUILDING COUNCIL AND VERIFIED BY GREEN BUSINESS CERTIFICATION INC.

LEED v4
BUILDING DESIGN AND CONSTRUCTION: NEW CONSTRUCTION AND MAJOR RENOVATIONS

GOLD

March 2023

Peter Templeton

PETER TEMPLETON, PRESIDENT & CEO
U.S. GREEN BUILDING COUNCIL & GREEN BUSINESS CERTIFICATION INC.



WASTE MANAGEMENT

TEXTILE WASTE 53.81%

PAPER CARTON PACKAGING 10.11%

PLASTIC 3%

SPRAY 0.02%

FLUORESCENT 0.005%

HYDRAULIC OIL 0.05%

METALLIC PACKAGING 0.29%

CONTAMINATED PACKAGING 0.11%

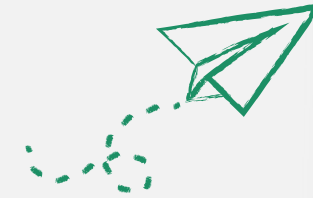
OILS AND FATS 0.05%

DOMESTIC WASTE 32%

MEDICAL WASTE 0.0005%

BATTERY WASTE 0.002%

CONTAMINATED CLOTH 0.03%



**1,645,425 KG OF
WASTE GENERATED
IN 2022**



In all locations, waste is separated at the source.



Hazardous and non-hazardous waste generated within the company is delivered to licensed recycling/recycling companies.



By recycling 160 tons of paper, 2873 trees were saved.



ECONOMY



DESIGN CENTER



There are 21 people in our Design Center, which was approved by the Ministry of Industry in 2018. 22 projects were prepared from 2018 to 2022. In line with these projects we have prepared, 5 Design Registrations and 3 Utility Model Patents were obtained.

As we start working on the contents of the projects we have done at the Design Center, we first closely follow the trends and current developments. We create our content by identifying innovations in sustainability and technical issues.



DESIGN CENTER



In 2022, we prepared 23 theme boards inspired by trends. As Women & Men & Children, we shared our collections consisting of 1327 models with our customers.

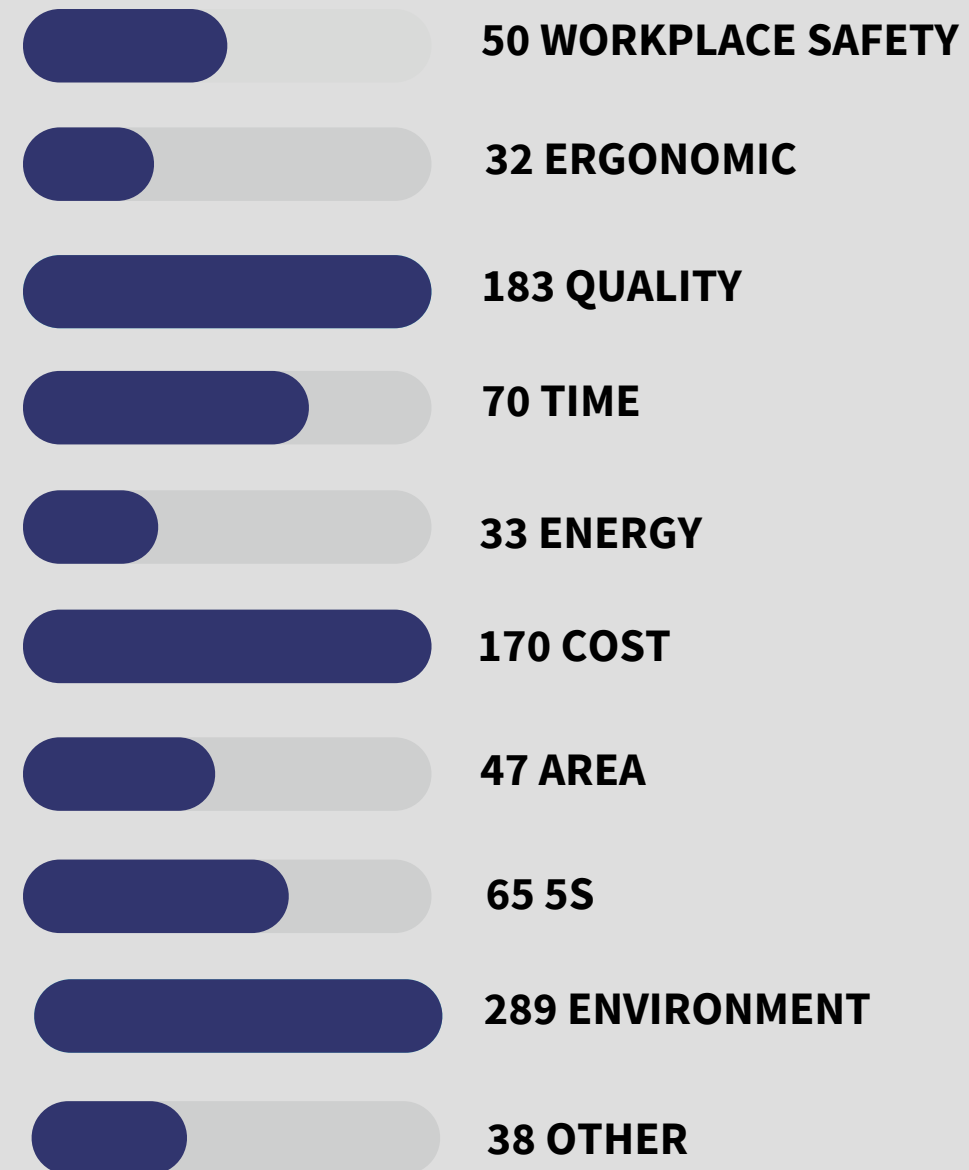
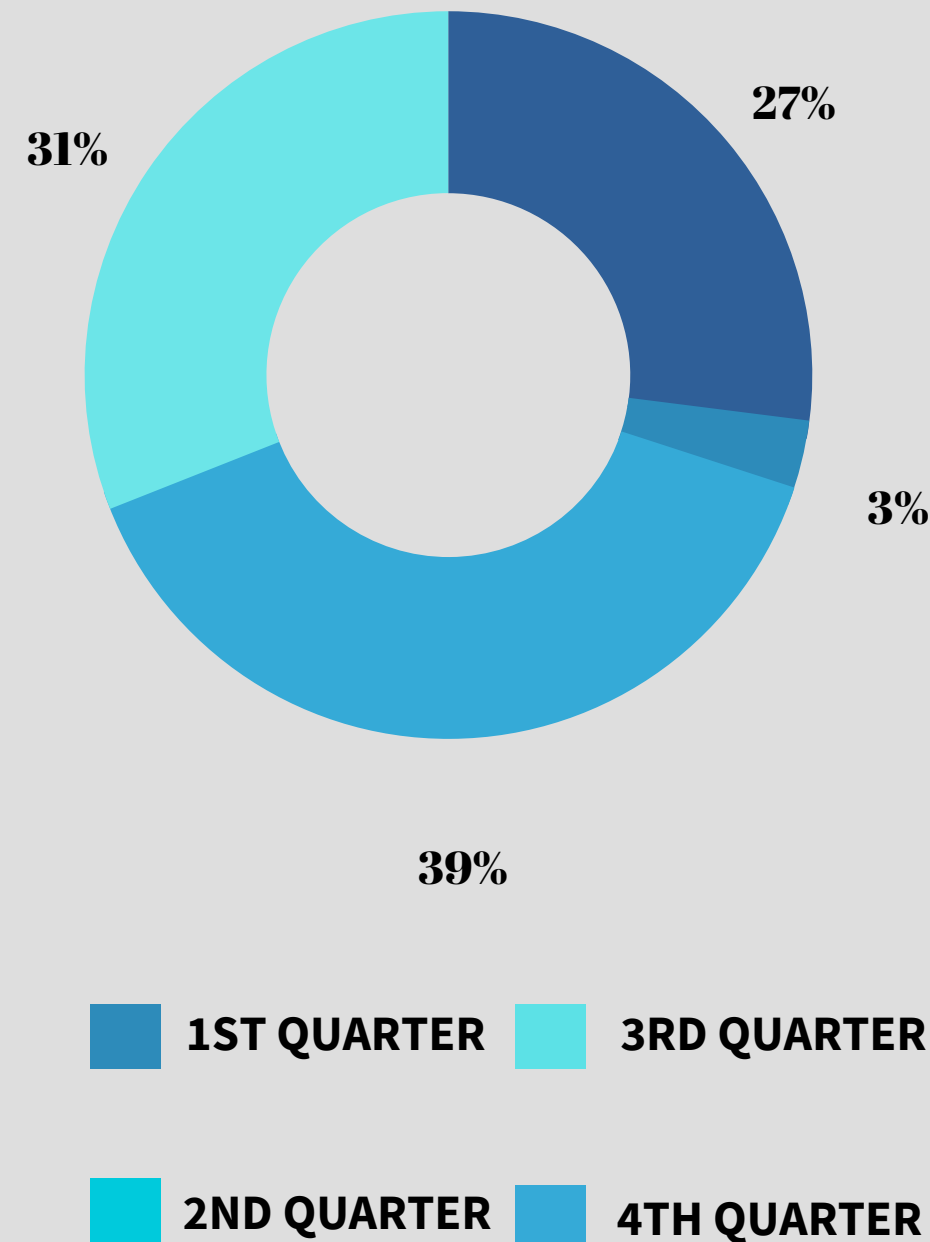
We have been following digitalization closely since 2020. We started to create digital identities of our collections with 3D programs.

As of 2022, we have prepared our virtual showroom as designstudio@fetihtekstil.com. We constantly share our collections with our customers through this portal.



We used content that supports sustainability in the collections we prepared. We have created sustainable content with recycled fabrics, recycled accessories, dyes obtained from natural plants, natural fabrics and natural washings such as ozone washing.

LEAN PRODUCTION-KAIZEN



964 KAIZEN

By increasing the efficiency of processes and providing employees with better tools for their work, Kaizen enables the company to do more with fewer resources, thereby increasing productivity levels across all departments in the business.

CORPORATE

SOCIAL

ENVIRONMENT

ECONOMY

DIGITALIZATION

HUMAN RESOURCES

RECRUITMENT MANAGEMENT
SKILL / TALENT MANAGEMENT
PERFORMANCE MANAGEMENT
TRAINING &
ORGANIZATIONAL DEVELOPMENT
CAREER PLANNING

RPA

ARTIFICIAL INTELLIGENCE
WORKFLOW AUTOMATION
TIME AND DATA MANAGEMENT



ERP

SUPPLY MANAGEMENT
INTER DEPARTMENT DATA TRANSFER



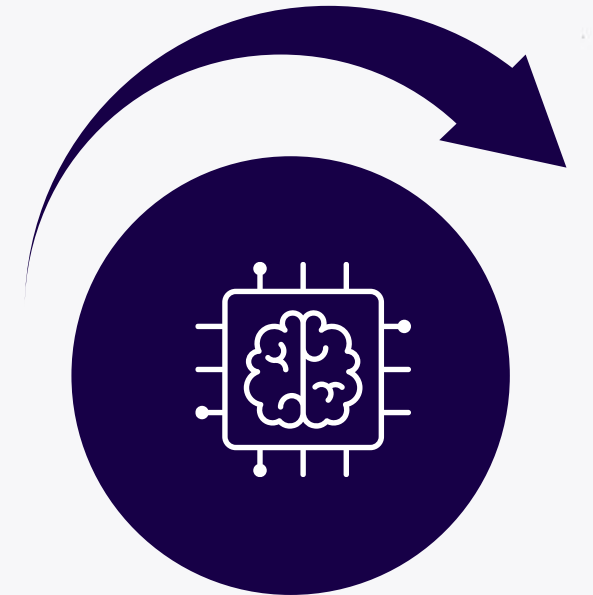
QDMS

QUALITY MANAGEMENT
INFORMATION SECURITY
INTEGRATED MANAGEMENT SYSTEM



ANALYTICS

BUSINESS INTELLIGENCE
PLANNING & ANALYZE



2023 BEYOND TARGETS

COLLABORATION

SUPPLY CHAIN MANAGEMENT

TRAININGS AND DEVELOPMENT MANAGEMENT

ENVIRONMENTAL SUSTAINABILITY

CLIMATE CHANGE



To realize projects with non-governmental organizations.

To realize 2 projects for women's empowerment.

To realize 2 projects in cooperation with municipalities.

To provide training on environmental and social compliance in approved external productions.

Involving approved suppliers in the I-REC certification process.

Making sustainability assessments in Stage -2.

Performing gender equality training in the approved supply chain.

Putting Environmental and Sustainability training to the test and switching to a reward system

Providing training to 85% of employees on waste management within the scope of environmental management

Increase environmental sustainability training hours by 10%

To provide training to 30 women on women's empowerment in 2023. P.A.C.E. (Personal Advancement & Career Enhancement)

Perform 30% HIGG INDEX self-assessment and validation at Stage-2.

Reducing water consumption by 1% compared to 2022.

Reducing natural gas consumption by 2% compared to 2022.

To realize energy efficiency studies.

Reducing corporate carbon footprint by 3% by 2025.

CONCLUSION

The purpose of Fetih Tekstil Corporate Sustainability Bulletin; is to share the sustainability studies carried out both within the institution and with other stakeholders with the relevant parties.

The measurable data in the said bulletin are evaluated concretely, and the data that cannot be measured are evaluated and stated approximately. Verification can be made upon stakeholders' request.

Fetih Tekstil Corporate Sustainability Bulletin, an original work, will be prepared for each calendar year and shared with those interested.

Fetih Tekstil Head Office

Mahmutbey Mahallesi 2661.
Sokak No:5 34217 İstanbul-Türkiye

Phone: [+90 212 446 39 53](tel:+902124463953)
Fax: [+90 212 446 39 52](tel:+902124463952)

Fetih Tekstil İstanbul Factory

Mahmutbey Mahallesi Taşocağı Cad.
Sokak No:5/2, 34217 İstanbul-Türkiye

Phone: [+90 212 446 39 53](tel:+902124463953)
Fax: [+90 212 446 39 52](tel:+902124463952)

Fetih Tekstil Malatya Branch-1

2. Organize Sanayi Bölgesi, 2. Cad. No: 30, 44900
Yeşilyurt/Malatya-Türkiye

Phone: [+90 422 244 01 85](tel:+904222440185)
Fax: [+90 422 244 04 35](tel:+904222440435)

Fetih Tekstil Malatya Branch-2

2. Organize Sanayi Bölgesi, 2. Cad. No: 39/1, 44900
Yeşilyurt/Malatya-Türkiye

Phone: [+90 422 244 01 85](tel:+904222440185)
Fax: [+90 422 244 04 35](tel:+904222440435)

Fetih Tekstil Malatya Branch-3

2. Organize Sanayi Bölgesi, 2. Cad. No: 43, 44900
Yeşilyurt/Malatya -Türkiye

Phone: [+90 422 244 01 85](tel:+904222440185)
Fax: [+90 422 244 04 35](tel:+904222440435)