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# Sustainability

Raporu

2021



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**timay & tempo**

SINCE 1987



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important

# Report Content

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<u>About Report</u>	01
<u>About Timay&amp;Tempo</u>	02
<u>Message From CEO</u>	07
<u>Our Management Approach</u>	08
<u>Our Sustainability Approach</u>	20
<u>Our Environmental Approach</u>	27
<u>Key Performance Indicators</u>	34



# About Report

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As Timay&Tempo, we aim to present our sustainability approach, the performance results we have achieved, and our future projections in a holistic framework by sharing a summary of the social, economic, and environmental impacts of our activities with the sustainability report we have prepared for the third time this year.

The information included in the report covers the period between 1 January - 31 December 2021, and aims to present the performance of our companies; Tempo Metal Accessories Ind. & Trade Co. and Timay Snap Fastener, Rivet and Burr Ind. & Trade Co. These companies, which constitute all the activities of Timay&Tempo, are shared as "Timay&Tempo" in the report.

Our contribution to the United Nations Sustainable Development Goals was also included in the report. You can reach us any questions, comments and suggestions about our Sustainability Report or our sustainability performance through [info@timay-tempo.com](mailto:info@timay-tempo.com).



# About Timay&Tempo

We were founded in 1987 to help the country's economy and to service the textile and metal accessory industries. We began our production journey in 1996 as one of the primary partners of the Anatolian industrialization movement in the Turkish textile sub-industry product area. Our journey, which began with the goal of serving the accessory demands of our country's textile manufacturers, has expanded by investing in several industries throughout the years. After the years we left behind, we are now selling to more than 50 countries and are one of Europe's the basis accessories suppliers.

With our flexible, innovative, creative approach, and quick service knowledge, we are the solution partner of the world's leading ready-made apparel brands. With our creative collections prepared twice a year and special designs for our customers and brands, we provide innovative ways to the fashion business. We give employment through our offices and production facilities in several regions, and we host a worldwide family, by embracing sustainable growth while creating value.

With our more than 400 personal, customer-oriented methods, and creative outlook, we are steadily strengthening our market position. We develop long-term partnerships with our clients before and after sales through our R&D investments, innovation and technology-oriented infrastructure, and awareness of sustainable and ecologically friendly production.

Gümüş Group, founded in 2011, operates in the fields of durable consumer goods, textile accessories, after-sales services, the glass industry, machinery, molds, plastics, and coating chemicals in five continents and 100 different countries.

Continuing its activities in Turkey and around the world without compromising on quality and a consistent work ethic, Gümüş Group is on its way to becoming the company of tomorrow with sustainable business models, innovation, technology, the importance it attaches to human resources, and the brand investments it makes.

Gümüş Group employees approximately 2000 employees now.



If you wish to see around our factory, you can take a [virtual tour](#).

Password: TT2021

# Milestones

<p><b>1986</b></p> <ul style="list-style-type: none"> <li>•Timay AŞ was Established.</li> </ul>	<p><b>1987</b></p> <ul style="list-style-type: none"> <li>•Tempo AŞ was Estanblished.</li> </ul>	<p><b>1994</b></p> <ul style="list-style-type: none"> <li>•Merged as Timay&amp;Tempo.</li> </ul>	<p><b>1996</b></p> <ul style="list-style-type: none"> <li>•Merzifon Factory was Opened.</li> </ul>	<p><b>2000</b></p> <ul style="list-style-type: none"> <li>•The first export was Made.</li> </ul>	<p><b>2004</b></p> <ul style="list-style-type: none"> <li>•The Design Department was Opened.</li> </ul>
<p><b>2008</b></p> <ul style="list-style-type: none"> <li>•Belgium and Tunisia Offices were Opened.</li> </ul>	<p><b>2010</b></p> <ul style="list-style-type: none"> <li>•Morocco Office was Opened.</li> </ul>	<p><b>2011</b></p> <ul style="list-style-type: none"> <li>•Italy Office was Opened.</li> </ul>	<p><b>2019</b></p> <ul style="list-style-type: none"> <li>•TR Ministry of Trade and Industry started its "Timay&amp;Tempo Design Center" operations.</li> <li>•Pakistan factory was Opened.</li> </ul>	<p><b>2020</b></p> <ul style="list-style-type: none"> <li>•TURQUALITY Brand Support was Included.</li> </ul>	<p><b>2021</b></p> <ul style="list-style-type: none"> <li>•Green Production Activities have Started.</li> </ul>

**2021 NET TURNOVER**  
(MILLION USD)

DOMESTIC: 10,880,710  
ABROAD: 8,207,756

TOTAL: 19,088,466  
Milyon USD

UP 24%  
FROM THE  
PREVIOUS  
YEAR IN 21



Export to  
25  
Countries

Bangladesh, Morocco, Pakistan, Tunisia, Italy, Spain, Hong Kong, Chile, Paraguay, Uruguay, India, Portugal, Egypt, Belgium, Mexico, United States, Argentina, Sri Lanka, United Kingdom, United Arab Emirates, Switzerland, Mauritius, Romania

## MISSION

It contributes to the Turkish industry's development through high-quality products and services, effective work, and entrepreneurship. It encompasses Turkey's sustainable economic growth goals as its fundamental goal, defends the values of society's customers, suppliers, and employees, and is built on respect, trust, and loyalty. Long-term partnerships are formed.

## VISION

To become the world's top brand by offering high-quality products with long-lasting designs.

## VALUES

- Acting with the main philosophy of consistently offering high-quality products to its customers in accordance with the fundamental principle of respect for the country, society, laws, and environment in which it operates,
- Viewing efficient labor as a contribution to the economy,
- Encouraging leadership at all levels,
- Always with the customer,
- Taking up social principles,
- Being the valued partner of all stakeholders and developing long-term partnerships based on loyalty,
- Is concerned with technological expertise,
- We are a group driven by employee pleasure.



# Our Products

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Depending on the markets we serve, we can categorize our products as denim, outdoor wear, baby wear, women's and men's wear, classical wear, work wear, uniforms, medical, technical applications, and branding. Our product line consists primarily of metal and leather/jacron accessories.

We are the accessory supplier with the highest production capacity in the Middle East and the Balkans, owing to our use of the Sustainable, Technological, and Lean production approach, which has a monthly production capacity of 200M pieces in a production area of 21.000 m<sup>2</sup> across the entire production line.

From the design stage through the final use of the product, Timay&Tempo strictly adheres to quality and safety regulations. We are always striving to improve the quality and safety of our products. The Quality Management System established by our Quality Assurance Department manages the planned process for our products to pass the appropriate health and safety testing. All of our activities are carried out in accordance with the ISO 9001 Quality Management Standard. We consistently enhance our quality work based on input from our stakeholders, and we examine and improve our Quality Management System and policy on a regular basis.





### The Standards We Follow to Ensure Product Quality and Safety

- The Higg Index
- Oeko - Tex® Standard 100 Products – Metal ( OEKOTEX 05.MO.0435)
- Oeko - Tex® Standard 100 Products – Jacron (OEKO-TEX 20.HTR.39140)
- Oeko - Tex® Standard 100 Products – Leather (OEKOTEX0.HTR.39572 )
- ISO 14040/44 – Life Cycle Assessment
- CPSIA-2008 ( Consumer Product Safety Improvement Act)
- EU REACH Directive
- Regulation on Chemical Registration, Evaluation, Authorization, and Restriction



# MESSAGE FROM CEO

*Within the framework of our «For The Future» project, Timay&Tempo sees sustainability as an obligation, not a choice. We engage in activities in order to leave a better world for future generations.*

2021 was a year filled with both expectations and concerns around the world. The epidemic has once again shown the significance of Environmental, Social, and Corporate Governance (ESG) in delivering long-term value for businesses. We faced enormous global difficulties in the economy, health, and social life following the inception and rapid spread of the epidemic. The pandemic has increased the hazards posed by actions committed without regard for society or the environment and has made a new order unavoidable by touching practically every element of existence. Prior to the pandemic, companies that included ESG into their processes and were able to generate flexible responses in the face of unanticipated events were at the forefront of the transformation. We have seen the positive effects of our efforts to improve the quality of life of our stakeholders and the welfare of society from the past to the present, as well as our ability to quickly adapt to developments, in this process of improving the social and environmental impacts of our operations, products, and services.

The pandemic has also highlighted economic disparities. As UN Secretary-General Antonio Guterres put it, the coronavirus, like an x-ray, revealed how brittle societies' skeletons are. According to the 2022 World Inequality Report, the epidemic has widened the gap between poorer and higher income levels. The devastation of livelihoods, wars, and forced migrations caused by the climate crisis exacerbated the situation. On the other hand, the inflationary effect caused by the excessive rise in energy and commodity prices compelled economic administrations to intervene. Inflation numbers, which hit historic highs in the United States and the Eurozone at the end of the year, demonstrated that the price hikes observed during the pandemic were permanent. This position exacerbated the strain on central banks, which provided funds to the markets to assist economies during the epidemic while the global consequences of the recession worsened. It demonstrates that the current scenario will make it difficult to suit the world's playing pieces, and it is not possible to come from the existing booklets without adopting a stakeholder-based sustainable economy. A knowledge of the economy that is based on the resource load and economy and uses sustainable business models must be adaptable and pay for the efforts of all economic actors. Any company model that cannot keep up with the necessity of this transformation and create its business model in the center of sustainability, it is believed, cannot change.

As Timay&Tempo, we consider the long-term viability of our «For The Future» project a need rather than a choice. We conduct our actions in order to leave a better world for future generations. Making protective business models a part of the business by focusing on the main lines of our understanding of sustainability, our experience and knowledge in transition systems, and the resolution of risk components for our world's future, particularly the climate crisis. We improve our operations day by day in the sustainability period by integrating our business processes in areas such as digitization, innovation, environment, efficiency, and inclusion, as a consequence of the social and corporate management (ESG) approach.



With our R&D expenditures, which are expected to **exceed 24 million TL** in 2021, we continue to develop ecologically friendly solutions. While a patent is being handled, we completed four TUBITAK-TEYDEB projects in 2021.

We want to extend our sustainability protection not only to our own operations but also to our supply chain. One of our favorite topics is supply chain sustainability. We accept social contributions and contributions from our suppliers as part of our goal of long-term growth.

One of the fundamental pillars of sustainability is responsible environmental management. Among our target areas are resource management, operations with the least operational impact, efficiency and recovery studies, and production performance.

With the product life cycle strategy we use, we are concerned not only with the manufacture of our products but also with their long-term influence. In this direction, we aim to reduce the output of our activities and carry out waste recovery operations. We rescued almost **6,000 tons** of risk-free garbage in 2021.

We recycled **301 tons of solid waste** as part of the solid waste recycling project we completed over the semester. We saved **294.13 tons of raw material** by reusing metal raw materials. We avoided the consumption of **28,763 kg of CO2** greenhouse gas emissions and saved 218,928 kWh of energy thanks to waste recovery and our Solar Power Plant. Furthermore, we avoided the emission of **126,913 kg of CO2e**.

Human resources are one of our most valuable assets. We provide a healthy, safe, fair, and egalitarian work environment in which our employees' development is encouraged.

Timay&Tempo will continue to improve equality oriented, incorporative diversity culture and business value together with respectable business partners. For this, our greatest strength will be all our colleagues who add value to Timay&Tempo with our foundations and competencies that are ready for the digitalizing world day by day. I'd like to offer my heartfelt gratitude to you who our valued partners, for your faith in us and your contribution and collaboration in our journey of developing and expanding and increasing value shared by all of us.

**Mustafa Laçın / CEO**



# Our Management Approach



Timay&Tempo comprehension is one of our management's fundamental ideas for adapting to constantly changing worldwide economic outcomes and efficiently utilizing natural, human, technological, and all other resources. We strive for long-term, dependable, respected, accountable, and productive partnerships by creating good communication with all of our stakeholders. Timay&Tempo's management approach accelerates the recycling of businesses that embrace innovation at all stages, from product safety to customer satisfaction, create consumption and environmental products, adapt to new technologies and facilities, have high competitive power, and eliminate global growth.

We are devoted to using our actions in a transparent and simultaneous manner, communicating all flaws, and adhering to all laws and values in our operational geography. At Timay&Tempo, we build our strategic and long-term strategies not just on success but also on the idea of producing lasting value. For our stakeholders and ourselves, we measure, develop, and enhance our sustainability expenses.

## Corporate Governance

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Timay&Tempo has a management structure in line with corporate governance principles and ethical and transparent management principles. The Board of Directors is the group's highest strategic decision-making body. The Board of Directors is responsible for determining the corporate target, ensuring compliance with corporate governance principles, determining and evaluating strategic decisions, risk management, and all external factors.

Committees that report to the Terminals Board of Directors assist the Board of Directors. Timay&Tempo's CEO is accountable for achieving the Board of Directors' goals.

All group managers attend the weekly Timay&Tempo meeting, and all company group directors and board members attend management team meetings to assess the group management's strategy and procedures.



## Risk Management

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Risk management is critical to the success of our operations. In this regard, we must abandon the regular assessment of all financial and non-financial risks and take the required actions. The Early Detection of Risks Committee coordinates the early detection of risks, taking required actions against recognized risks, and monitoring the risks.

We take a proactive approach to risk management, and our risk management activities are overseen by the Board of Directors. We identify and assess risks and ratings for all of our youngsters who will have an impact on our company's aims. It is directed at activities taken within the context of policies established by the Board of Directors to avoid or mitigate risks. At the conclusion of each year, we provide our risk reports to top management.

We use a proactive method to track threats against the 5-year strategic goals that Timay&Tempo has developed. Risks associated with strategic leasing are addressed by the department's specialist in the application of internal controls.

Timay&Tempo considers compliance and social implications in addition to financial and expenditure hazards when assessing risks and setting minimal management. Our corporate risk map can contain fire, occupational health and safety, the environment, employee rights, and violations of these demands.

Our workers' relationships with one another and with our interruptions are molded in accordance with the Code of Ethics and Implementation Principles in the disciplinary regulation. Timay&Tempo's business practices are guided by the executive's ethical code of conduct, the battle against corruption, and social responsibility.

## Anti-Corruption

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Bribery and corruption are not tolerated at Timay&Tempo under any circumstances. Its financial relationships with public entities and organizations are audited. Audits found that no sanctions were imposed for noncompliance with social, consequences, and corruption regulations. All Timay and Tempo services will result in the reporting of ethical conduct activities, bribery, and loudness. Privacy is protected when notices are forwarded.

The anti-bribery and anti-corruption policy applies to all aspects of the organization, particularly suppliers and business partners, as well as employees.



# Strategy and Our Goals

Timay&Tempo's company development is guided by 5-year strategic plans. Timay&Tempo's 2020 - 2025 strategy plan, based on the concepts of "trust, quality, evaluation, and creating value," intends to raise the value of our assets, export them to realization, and fulfill our goals by assessing the sector's prospects and dangers. In this direction, our company intends to implement corporate strategies that will "enable the house to be sustained in the long term" and increase learning by always enhancing it with "sustainable profitability," "widespread prevalence of the brand," and "process simplicity and what it provides." With our distinctiveness and high quality standards in our products, we aspire to be ahead of our competition. Our processes are one of our strategic focuses in order to ensure a fair, healthy, and safe working environment for our employees while also prioritizing satisfaction.

Our core strategy at Timay&Tempo is to assure sustainable growth, boost profitability and economic added value, expand our brand, and become one of the most renowned and well-known global brands through constant development and learning.



# Our 2025 Strategy and Goals

Sustainable Economy Goals				
No	Purpose	Aim	2021	2025
1	Reducing financial expenses	At the end of 5 years, reducing the financial expenses in the turnover to 5%	6,75%	5%
2	Improvement of purchasing costs	Depending on the firm's growth protection raw material purchasing costs to turnover annual usage rate 3%	0,97%	3%
3		Depending on the firm's growth protection general expense purchase times to turnover 2% savings per year	1,2%	2%
4	Ensuring the optimization of transportation	Reduce the shipping cost from 1.7 in turnover to 1.5 operating and controlling	6,75%	5%
5	Improving warehouse workflows	Optimization of warehouse cost to turnover decrease from 1,97% to 1,5%	1,75%	1,5%
6	Product quality and production efficiency supporting augmentative process design	Can make incentive-supported production every year 1 project support for its modernization to take	1	1

Environmental and Occupational Health and Safety Goals				
No	Purpose	Aim	2021	2025
1	Foreign dependence on energy use to reduce	100% of renewable energy maintenance realization	100%	100%
2		1100 instead of factory standard fluorescent bulbs 20 W led bulb output	300	300
3	Increasing production efficiency	Occupational accident frequency rate weight average 7 out of 5 drift	5	5
4	Total Quality Management dissemination	Obtaining Environmental and Occupational Safety Certificate	100%	100%

Work Life Goals				
No	Purpose	Aim	2021	2025
1	Reducing blue-collar personnel turnover rate	Reducing the personnel turnover rate to 5% at the end of 5 years	5,3%	5%
2	Increasing employee satisfaction rate	Increasing employee satisfaction to 75% at the end of 5 years	No Survey Made	75%
3	Increasing production efficiency	Keeping the annual recommendation number above 300	139	340
4	Impression of HR Systems via successfactors provide Phase 1	Activating the backup and development module and ensuring its 100% implementation	20%	100%
		Commissioning and 100% implementation of the Training Module	No Module License Received	100%
4	Impression of HR Systems via successfactors provide Phase 1	Commissioning the recruitment and e-orientation modules and 100% application	No Module License Received	100%
		Organizational development project continuation Scope norm staff study for 181 group perform and show 100%	20%	100%
6	Internal communication dissemination / dissemination	Increasing the performance of intranet technologies increase 90%	70%	90%
7	Removal of functional equipment sets	Position basics, removal of equipment and performance execution system	100%	100%
8	Career management system establishment	Publication of position-based career maps	No Module License Received	100%
9	For independent audit infrastructure preparation	Relevant training of personal information	100%	100%

R&D, Innovation and Digitalization Goals				
No	Purpose	Aim	2021	2025
1	New product development enclosure take me speed	Snap requirements run 4 different product studies per year	4	4
		Carrying out product and design studies for 3 sub-product groups per year in the Kikit group	3	3
		Carrying out the product and design work of the accessory for at least 4 product groups per year	4	4
		At least 10 years in the button-rivet-nail gift product and design team to be done	10	10
		New mold requirements orders in 7 days on average training to run	7	7
		Developing 80 new colors annually	32	80
		Renewal on 5 existing products every year laundry making	5	5
2	Smart factory structures dissemination	In molds using information technologies increasing traceability to 100%	100%	100%
		Establishment of automatic coating plant	0%	100%
3	Innovations in products and processes establishment	Integration of the Doruk automation system into the painting and coating processes	0%	100%
		In new consumer products and current treatment process production every year in accordance with the increase of the customer 3 project software to improve processes	3	3
4	Increasing IT services, enrichment, quality and cost	End of enterprise resource planning (ERP) and increase the usage performance of environmental programs to 100%	95%	100%
		Storing and implementing the software hosted by the organization	100%	100%
		Execution of digital interactions of sales and production teams	4	4
		Establishment of SAP ERP system integrated product data management system	10	10
5	Responsible for production-related quality using information technologies	100% of corporate IT projects are finished	60%	100%
6	To cover new product development	In molds using information technologies increasing traceability to 100%	100%	100%
7	Increasing production efficiency	R&D design center establishment	100%	100%
		5S and lean production audit score of 8.5 and above realization of points	8,27	8,60



# Our Stakeholder Relations



As Timay&Tempo, we ensure consistent connectivity while accepting full responsibility for any interruptions. We continue to connect with our many stakeholder groups through multiple platforms as we gain a better grasp of their various expectations and characteristics. We share our corporate knowledge with the institutions to which we belong as members of the stakeholder organization.

Our Stakeholders	Expectations and Goals	Communication Methods
Stakeholders	Compliance with laws and regulations, working in accordance with the strategy, sustainable growth	Corporate website, meetings, annual report, and sustainability reports
Employees	Good working conditions, satisfaction and loyalty to the company motivation	Employee Satisfaction Survey, Performance Management System, HR chat meetings, "Ask Mr. Mustafa" meetings
Customers	Loyalty, partnership, quality, commission and continuity	Customer Satisfaction Surveys, Visits, Fairs
Suppliers	Strategic cooperation, compliance with deadlines, quality	Quality seminars, face-to-face meetings
Public Institutions	Reporting, compliance with the law, fulfillment of requirements	Annual and monthly books
Society and non-governmental organizations	Donations, grants and positive contributions to non-governmental organizations aligned with corporate priorities	Project-based partnerships

#### Our Corporate Memberships

Turkish Exporters Assembly- TIM  
 Turkish Clothing Manufacturers Association- TGSD  
 Istanbul Ferrous and Non-Ferrous Metals Exporters' Association  
 Istanbul Ready-to-Wear and Apparel Exporters' Association- İHKİB  
 Istanbul Textile and Apparel Exporters' Associations -İTKİB  
 Istanbul Textile and Raw Materials Exporters' Association-İTHİB  
 Machinery and Accessories Exporters' Association- OAIİB  
 Istanbul Chamber of Industry  
 Istanbul Chamber of Commerce  
 Merzifon Chamber of Industry  
 Merzifon Chamber of Commerce



## Employee Relationships

At Timay&Tempo, we defend working life by putting our employees' satisfaction and loyalty first. One of our long-term aims is to create a company that attracts new talent and distinguishes itself through a positive work environment. At Timay&Tempo, we consider our staff to be our most valuable asset. We safeguard our employees' satisfaction and loyalty, which are assets at the forefront of their working lives. We want to be the preferred and most worked-for firm in the industry, and we want to establish an ideal working environment with happy employees. We contribute to our employees' personal boundaries, their employees, and what they use, and we help our employees with all of our resources when it comes to career planning. For our Human Resources Policy, we control our working methods.

## Conditions of Work

We provide a courteous work atmosphere that values our employees and human rights. We place a high value on our employees' safety and health, and we strive to create a fair working environment with equal opportunity for all. The Human Resources Handbook contains all of policies that govern working life at Timay&Tempo. Every year, benefit from evaluating and updating these applications. Furthermore, all human resources are managed within the framework of the Gümüş Group HR Regulation and shared on platforms that allow employees continuous access. We hope that by organizing topics connected to recruiting and placement, orientation, promotion and assignment, working conditions, personal rights, and leaving the job, we can provide information to the user. With the substantial fringe benefits we provide to our employees, we create an appealing work environment for current and potential employees.

### Demographic Distribution of Employees

Demographic Distribution of Employees	2021
Total number of employees	592
Total number of female employees	138
Total number of male employees	454
Number of female white-collar employees	89
Number of male white collar employees	128
Number of blue-collar female employees	46
Number of blue-collar male employees	318
Number of disabled employment	15
Number of trainee university students	-
Number of intern high school students	11



## Principle of Equal Treatment

It is one of our proposals to provide a working atmosphere rich in different cultures and talents. At Timay&Tempo, we do not permit the inclusion of minors in human resource procedures based on criteria such as gender, language, religion, ethnic origin, and age. We endeavor to foster a polite and welcoming workplace atmosphere. In accordance with the payment concept of equal pay for equal effort, we treat male and female employees equally. We set our wage rates based on the job valuation ranking we use, and we give a wage distribution for both-blue and white-collar employees, both inside and outside the organization.

We work to prevent child and forced labor and to ensure fair working conditions in our operations and distribution chain. We are aware of the importance for a sustainable future that woman in all living environments and in the business world actively live in their places. We support women's employment in employment and management. We aim to increase the number of female employees working at all levels. As 2021 approaches, women make up 23% of their teams and 22% of our senior managers.

## Our Social Activities

For International Working Women's Day on March 8, we managed the gift box for all of our female colleagues. We gave the "Little Prince" book to all of our staff on April 23, National Sovereignty and Children's Day. We began delivering Turkish literature classics books to all colleagues at the birth house in April. On Mother's Day, we made a donation to AEV (Mother and Child Education Foundation) on behalf of our working mothers. On May 19, Commemoration of Atatürk, Youth and Sport Day, we distributed a speech book to all staff. We gave it to Darüşşafaka for our working fathers on Father's Day.

On June 14, one of our passengers offered us a remarkable present; Prof. Dr. Acar Baltaş delivered a webinar titled "Welcome to the Twentieth-First Century." The Ministry of Internal Affairs and the Association of Radio and Television Journalists collaborated on the **Best Narcotics Police: Mother**, in order to prevent the perspective of and young people, the Narcotics Branch of the Merzifon District Police Department will organize two 15-minute seminars for female staff on December 20. We prepared a factory trip for 20 students from Amasya Macit Zeren Science High School on December 8. On December 17, we organized a factory tour for 20 students of Samsun Kavak Yaşar Doğu Vocational and Technical Anatolian High School.



# Customers Relationship

In order to properly meet their expectations, consumers must study their outcomes, complaints, and current trends. In this regard, we undertake frequent customer satisfaction surveys on domestic and export amounts. Every year, we run surveys that include free evaluation questions on variety of issues such as sales, operations, quality and assurance, design, and accounting. We identify areas for improvement in the survey results using SWOT analysis and implement customer-oriented, corrective, and remedial activities.

## Our 2021 customer satisfaction survey results:

In 2021, we conducted a satisfaction survey with 37 guest customers, 21 of whom were domestic and 16 of whom were international. According to the survey findings, we received 214 points from the outside neighborhoods and 253 points from leaving the house.

**In 2021, the company expects to work with 86.8% domestic freight and 80.6% international service.**



Rate of domestic customer satisfaction    Rate of overseas customer satisfaction

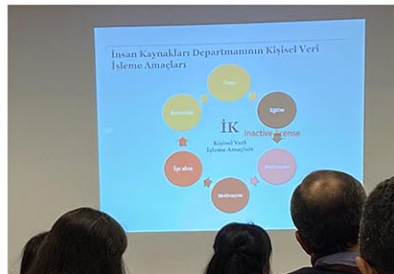
There were no complaints for information saved throughout the reporting customer period.

# Customer Data Security

With the hazards associated with digitization, the necessity of information security and privacy has increased, and it has become one of the business world's important aims. We believe that monitoring information security and privacy issues is an essential component of digital transformation.

We protect ourselves and our business partners by using our effective risk management process. These actions are carried out in accordance with the ISO 27001 Information Security Management System standards. While SOME (The Cyber Incident Response Team) conducts internal audits against potential cyber hazards, it also conducts external audits on a regular basis. Every year, we are audited by accrediting authorities, particularly TÜRKAK (The Turkish Accrediting Agency). We make efforts and invest in securing probable flaws in audited inventories.

All of our workers received information security training in order to increase user awareness within the organization. We keep top management up-to-date on the subject by distributing case studies on a regular basis. The systematic fight against information security attacks is monitored as a spread by security center policies, which are secured by firewalls, antivirus, and DLP systems. There were no complaints for information saved throughout the reporting customer period.





98% of our suppliers have local management structures in 2021.

# Supply Chain Management

Long-term sales relationships with our suppliers are the foundation of Timay&Tempo's product assurance. As a result, they safely secured the raw material source's continuation. As a retailer of the global textile industry and brands, we act with sensitivity to the challenges they encounter in supply chain management organizations.

Timay&Tempo provide supply chain management using Supply Chain Management. For Long-Term Supply Chain Management;

- We regularly monitor the economic, social, and construction performances of our suppliers, who are also our business partners, to ensure the quality contracts we want.
- We expect them to take on the same level of responsibility for sustainability and uphold the same standards that we do. As a result, we frequently inform our costumers about our quality and product safety standards, as well as our expectations for sustainability.
- In the purchasing procedure, we prefer local buyers. It provides value to the circuit while limiting our incoming production effects, which include local networks and logistics.
- While choosing our suggestions in the purchasing process; OHS Management uses ways to continue our sustainability understanding throughout our purchasing chain by choosing suppliers that comply with ISO 9001, 14001 Standards, not employing child labor, illegal, forced labor, and material management.



**6** CLEAN WATER AND SANITATION

**7** AFFORDABLE AND CLEAN ENERGY

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

**13** CLIMATE ACTION

**14** LIFE BELOW WATER

**15** LIFE ON LAND

# Our Sustainability Approach

Our company principles at Timay&Tempo include excellence, respect, and dependability. These principles provide us with a long-term perspective. We assess the impact of our actions and goods on our natural environment and all of our constituents. We are considering a framework that incorporates our understanding of sustainability into all of our company processes and products. We use a multi-purpose management structure for this aim.

The advancement of information technology, the needs of youthful employees and consumers, dangers to public health, the rise of the green economy, and responsible finance methods have all pushed the integration of sustainability into institutional business processes. The deteriorating ecological balance, social instabilities, and rapidly rising global agenda have made a very high rate of profit in the short term the criterion of being a successful corporation.

Timay&Tempo Sustainability Working Group is our governing body in charge of internal sustainability concerns and trends in these regions. The Working Group's thoughts and proposals are included in senior management's risk and strategies.

The following sources are used to determine our sustainability:

- Corporate strategy
- Corporate values
- Stakeholders expectations
- Global lifetime
- Sectoral needs
- Corporate engagements
- UN Sustainable Development Goals



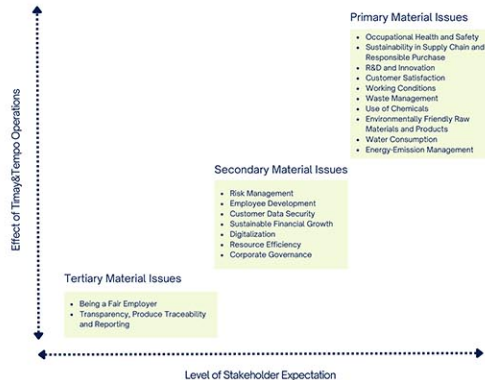




# Priority of Sustainability

Our sustainability beliefs, global sustainability trends, peer firm practices, corporate strategic plans, and stakeholder expectations are all to be expected. As a consequence of the finalization study, which included research investigations, stakeholder surveys, and workshops, we developed our finalization matrix.

1. Research study: Based on the materialization research, global sustainability trends, examples of good practice, our business strategies, competition analyses, and sectoral requirements, we developed a broad list of 65 issues.
2. Our Sustainability Working Group re-evaluated these concerns by taking into account their effects on our aims and the risks and returns they created, and we built a sustainability subject universe of 41 subjects.
3. Employee Surveys: We offered this universe to our employees' perspectives via a survey study. The survey was completed by 56 of our coworkers.
4. Sustainability Workshop: The survey results were analysed and submitted for management protection at the "Sustainability Workshop" by the Sustainability Working Group.
5. Management Review: The survey data were evaluated and detained by the management team, led by Timay and Tempo CEO. In the evaluation, three groups were acquired as "Primary Issues", "Secondary Issues", and "Third Priority Issues", taking into account the permanency evaluations following the operation of Timay&Tempo, stakeholder expectations, and their impact on business behavior.



# Our Contributions to The Sustainable Development Goals

## First Priorities

- Occupational Health and Safety
- Sustainability in Supply Chain and Responsible Purchase
- R&D and Innovation
- Customer Satisfaction
- Working Conditions
- Waste Management
- Use of Chemicals
- Environmentally Friendly Raw Materials and Products
- Water Consumption
- Energy-Emission Management



## Secondary Priorities

- Risk Management
- Employee Development
- Customer Data Security
- Sustainable Financial Growth
- Digitalization
- Resource Efficiency
- Corporate Governance



## Tertiary Priorities

- Being a Fair Employer
- Transparency, Produce Traceability and Reporting





*"For The Future"*

# Digital Fashion

The Metaverse's planet is rapidly expanding. Millions of dollars have been invested on materials developments for the metaverse cosmos and start-ups founded to do unique work in this new realm. Another rapidly expanding region in the metaverse, where the weight of the technology framework can be seen, provides digital fashion in collaboration with the advanced NFTworld and metaverse.

Those that develop their own fashion are those who use Metaverse, a platform where visuality is prevalent and people will use to socialize in a short period. Fashion designers can now create and market non-existent protective apparel. People can also purchase them to wear in the virtual world, particularly in video games.

At the end of December 2021, a poll dubbed "The Metaverse Mindset: Consumer Shopping Insights" interviewed 1,001 households in the United States. According to the study, 75% of Generation Z has purchased a digital product within a video game. Sixty percent of teens believe their brand should be marketed on metadata platforms. While calling consumer-dominated virtual shopping as a "highly engaging" experience, 62 percent of respondents stated they would buy a digital item for their avatar, such as an accessory or apparel.

The metaverse fashion portal RSTLSS, the new initiative of experimental fashion designer Charli Cohen, has also recently piqued the interest of investors. Charli Cohen, a fashion designer, was one of three designers invited to participate in Fabric of Reality, a virtual reality event that was one of the first examples of immersive virtual fashion experiences in 2020.

Cohen has previously designed digital fashion as well as augmented and virtual reality clothes for games such as Assassin's Creed, Pokémon, and Sanrio. Bitkraft Ventures, which includes Rogue VC, Start Line, Red DAO, and Venture Reality Fund, as well as Paris Hilton, Twitch co-founder Kevin Lin, and EpyllionCo managing partner Matthew Ball, is leading the London-based RSTLSS, which Cohen recently implemented. In the first round, an initial investment of \$3.5 million was made.

RSTLSS will use the funds to grow its funding team and develop its product before launching. RSTLSS was created to give brands, designers, and artists a place to produce, wear, play, and sell fashion across the metaverse.

*As Timay&Tempo, we follow the digital developments in textile finishing closely and continue our activities for the continuity of the activity in this field.*



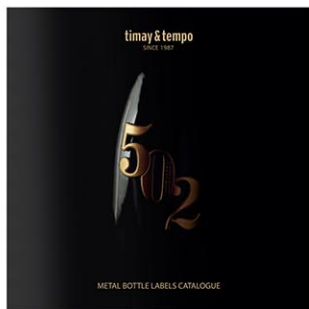
# New Product Market (Bottle Branding)

Based on our experience in the textile market, we started our activities to promote our Timay&Tempo brand in the market by determining our products and services for the bottle branding market in 2021. In a short time, our aesthetic view and production ability in the fashion sector enabled us to create a customer portfolio in this sector.

We have gathered our product range, most of which consists of zamak raw materials, under four main headings: Metal Labels, Metal Covers, Metal Accessories and Wire Heads.

We used our Zero Waste measures in the production of our products in this market, by reusing our waste after our production in our recycling facility. Again, we have redefined the knowledge we have in our quality test laboratory for this market and we have taken our actions quickly for the expectations of the market.

We have started our sales actions with our first collection in the bottle branding market, our promotional catalog and our website [www.labelsandclosures.com](http://www.labelsandclosures.com) as a project for our targets to expand into the market and increase our export sales, which we have set for our sales actions in 2021.



# Studies in R&D

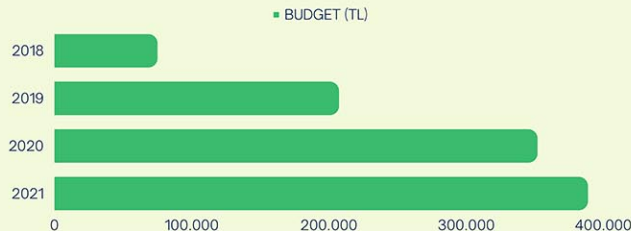
As Timay&Tempo, we seek to bring value to the markets in which we operate by developing, improving, and differentiating our actions in order to expand the functionality of the product or products we have developed. In line with this goal, we established the Design Center with the support of the TR Ministry of Industry and Technology, under the provisions of Law No. 5746 on Supporting Research and Development Activities, with a creative, researcher, and innovative team in the field of production.

Timay&Tempo invests in R&D and innovation to offer unique and versatile designs that make living easier. Accessory designs and seasonal collections that we create just for our consumers set us apart in our industry. We believe that effective innovation will only occur when integrated thinking spreads throughout the organization. We provide assistance to our staff at all stages, from new ideas to product development. Our skilled Timay&Tempo design team, which works in our R&D design center, enables us to offer a wide range of creative products that provide quick solutions in accordance with the international brands with which we collaborate in the textile industry and fashion trend analysis. In this context, we prepared a special collection for accessories used in children's and baby clothing, we made special studies for products such as rank, brevet, button used in international (Qatar, Sudan, Uzbekistan, etc.) military clothing, and we distributed a special color chart for ecological products to our customers.

In 2021, we carried out 1 patent study by collaborating with 3 universities of the owner.

Design office economic performance indicators	2021
R&D Budget (TL)	388.597
Number of patents received	1
Employees number of R&D	14
Number of Cooperation R&D with University/Industry	3
Technical Cooperation Grants (TL)	-

We have assigned a total budget of 1,022,601 TL through the end of 2021 for the R&D and innovation studies we have been undertaking since 2018, representing a 518.57% increase in our budget since the studies began in 2018.





6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

# Our Environmental Approach

At Timay&Tempo, we meticulously follow the risks and opportunities created by climate change and environmental degradation. We strive to reduce our environmental footprint in all our processes. We invest in renewable energy sources and adopt environmentally friendly waste disposal methods.

We share our environmental sensitivity with our value chain and work to do our part in the struggle for the protection of natural resources.

think **GREEN** for the future

timay&tempo  
SINCE 1987







When we vowed to leave a green environment to future generations, we promoted sustainability by using recycled materials in our goods and confirming our growing techniques with the GRS accreditation.

We contributed to the sustainability of our forests, which is one of our most valuable assets, by selling our paper-based Jakron label goods with FSC certification.

We combine our ecologically friendly manufacturing processes, the nature of those who save daylight, and the enterprise's primary responsibility to safeguard our natural resources. With our LCA reports, we analyzed our regulatory impacts and continuously attempted to improve product designs by finding the hotspot.

We have embraced the ISO 14001 management system standard, which distributes natural components, analyzes all types of elements such as wastes, sound, dust, noise, use, and all of our business's production outputs, and controls environmentally friendly practices. In this regard, it has become our core idea to measure the length measurements in the process until the point at which our products begin to operate, and to endeavor to minimize the damage caused by removing and managing these measurements.

For our future; the system of "less chemicals, less electricity and water consumption, and less waste" makes a difference by seeking to reduce natural resource and energy usage.





# TURQUALITY

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TURQUALITY® is the world's first and only state-backed branding scheme, acquired in 2004 with the goal of creating an incubator and kingdom for selected Turkish brands.

Timay&Tempo; In 2020, it has been deemed suitable for the criteria that will contribute to the creation and placement of the image of Turkish goods with its own brand in international markets by providing managerial knowledge, institutionalization and development, covering all processes from production to marketing, from sales to after-sales services, with product groups with branding potential. In this process, it has been audited by global audit companies and gathered the actions it will take for its 5-year strategy under four main headings as "Sustainable profitability, creating accessible prevalence of the brand, Simplicity, Continuous Improvement and Increasing Learning". Again, by the end of 2025, it aims to complete the transformation of an environmentally friendly green production facility with the measures it has taken in the production area and the investments it has made, and to minimize the damage to nature with sustainable resources.



## Resources Efficiency

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The negative effects of decreasing natural resources and increasing waste are increasing day by day. As a result, we base all of our activities on our welding expertise. With the creative projects we do, we responsibly utilize all resources, particularly natural resources. It follows the Circular Solution and works to reduce costs. It processes and re-executes a considerable portion of the flames that occur in metal and plastic protective prints.

As a result, in 2021;

- We recycled 31.2% of the brass raw material we used,
- 71.5% of the zamac raw material we used,
- 99.99% of the waste generated in the process.



# LCA-Life Cycle Assessments

Life Cycle Assessment (LCA) studies are a scientific process that calculates environmental impacts and pollutants from the cradle to the grave, such as the manufacturing, consumption, and disposal of a product or service, in accordance with ISO 14040 standards.

We conduct Life Cycle Evaluation studies at Timay&Tempo, identify the processes that produce the most environmental pollution during production, and carry out improvement studies, process design, and development. By combining Life Cycle Analysis with Timay&Tempo's knowledge, experience, and creativity, we work on novel products and processes, procedures, and designs.

We defined standard colors and their visually related eco colors and processes during the reporting period. In this study, we finished procedures that our competitors in the sector do not have by conducting process studies with various raw materials. The raw material type, chemical qualities, processing time, consumption characteristics, and sustainability stages were all included in the study's design error types and effects analysis (FMEA). We rely on LCA knowledge in our attempts to improve and develop novel products and processes.



# Energy and Emission Management

We analyze energy use in manufacturing and logistical processes and implement energy-saving programs and procedures. We invest in energy-efficient, cutting-edge technologies. We monitor the energy density indicator, which measures the amount of energy used per product manufactured, and seek for ways to lower energy density. By generating electricity with the solar energy system placed at the facility, we lower our carbon footprint.

From 2016 to 2021, we generated 1,534,939 kWh of electricity and avoided 664.78 tons of CO<sub>2</sub>e greenhouse gas emissions. We obtained 20.87% of the electricity we consumed during production from solar energy with the total electricity produced in 2021.

We avoided 664.78 tons of CO<sub>2</sub>e greenhouse emissions while creating 1,534,939 kWh of power.

The total amount of electricity that our power plant depends on over the years (kWh)

2016	2017	2018	2019	2020	2021
310.151	317.548	309.530	279.315	321.860	306.686

*The emission factor used in determining the amount of emissions avoided by power generation was acquired from statistics from the International Energy Agency (IEA).*



# Key Performance Indicators

Economic Performance Indicators	2020	2021
Total number of active consumers	216	263
Total number of local suppliers in the purchasing budget	211	258
Numerical ratio (%)	%98	%98
Total purchasing budget (TL)		78.116.000,00
Total local purchase amount in the purchasing budget (TL)		73.429.00,00
Budgetary ratio (%)		%94
R&D budget (TL)*	351.845,00	388.597,00
Number of patents obtained	1	1
Number of personel working in the R&D area	14	14
Number of university/industry R&D collaborations	-	3
Technical cooperation grants (TL)	-	-

*\*The R&D Budget covers the values realized in the 750 main account code.*



Social Performance Indicators	2020	2021
<i>Demographic distribution of employees</i>		
Total number of employees	565	592
Total number of female employees	131	138
Total number of male employees	434	454
Number of female white-collar employees	84	89
Number of male white-collar employees	118	128
Number of blue-collar female employees	46	46
Number of blue-collar male employees	308	318
Number of disabled employment	14	15
Number of trainee university students	5	-
Number of intern high school students	4	11
<i>Components that work according to age structure</i>		
Number of employees under the age of 30	171	592
Number of employees aged 30-50	372	138
Number of employees aged 50 and over	22	454
<i>Employees by nationality</i>		
Turkish	565	592
Foreign	-	-



Social Performance Indicators	2020	2021
<i>Average years of seniority by category of employees</i>		
High-end components	12	12
Midrange transitions	13	15
Experts & Blue collar	6	7
<i>Employee distribution by contract type</i>		
Continually	565	592
Temporary	-	-
<i>Top management demographic distribution</i>		
Total number of senior executives	10	9
Total number of senior female managers	2	2
Total number of senior Turkish executives	10	9
<i>High-end hardware by nationality</i>		
Turkish	10	9
Foreign	-	-
<i>Senior components by age group</i>		
Number of managers under 30 years old	-	-
Number of managers between 30-50 years old	9	8
Number of managers aged 50 and over	1	1





Social Performance Indicators	2020	2021
<i>Return to work and retention rates after maternity leave</i>		
Number of female employees on maternity leave	3	4
Number of female employees returning from maternity leave	2	3
<b>Employee Development</b>		
<i>Employee training - number of participant (person)</i>		
Blue collar	289	185
White collar	87	158
Woman	74	90
Man	302	253
Blue collar woman	93	148
<i>Employee trainings - total hours (personxhour)</i>		
Blue collar woman	93	148
White collar woman	343	680
Blue collar man	1020	1784
White collar man	22	1482
<i>Number of employees given regular performance evaluation audits</i>		
Blue collar woman	44	19
White collar woman	84	61
Blue collar man	295	258
White collar man	118	109
Employee engagement rate	Not done	Not done



Social Performance Indicators	2020	2021
<b>Employee Turnover</b>		
<i>Employee turnover by gender</i>		
Women	%3	%7
Men	%8	%20,95
<i>Employee turnover by age</i>		
Under 30 age	%7	%12,16
30-50 years	%3	%14,86
50 years and older	%0,4	%0,51
<i>Number of employees hired</i>		
Total number of female employees recruited	15	22
Total number of male employees recruited	45	62
Number of employees under the age of 30 hired	39	55
Number of hired employees aged 30-50	19	28
Number of recruited employees aged 50 and over	2	1
<i>Employee who quit job</i>		
Total number of female employees of the content from the job	15	39
Total number of male employees of job components	45	124
Number of employees under 30 years of age	39	72
Number of employees aged 30-50	19	88
Number of employees aged 50 and over	2	3



Social Performance Indicators	2020	2021
<b>Occupational Health and Safety</b>		
<i>OHS Committees</i>		
Number of established OHS committees	1	1
Total number of members in established OHS committees	12	12
Number of employee representatives in established OHS committees	4	4
<i>OHS Educations</i>		
OHS training total hours	1,108	1,944
Number of employees participating in OHS trainings	93	162
Accident severity rate	0,047	0,066
Occupational disease rate	0	0
Number of work-related deaths	0	0
Accident frequency rate	4,10	4,44



Environmental Performance Indicators	2020	2021
<b>Material Use</b>		
<i>Amount of Raw Materials Consumed (tonnes)</i>		
Plastic raw material	27	64
Metal raw material	1.292	1.931
Chemicals	390	397
<b>TOTAL</b>	<b>1.709</b>	<b>2.392</b>
Density of raw material ((ton/number)*100.000)	0,109	0,146
Amount of recycled/recovered raw material used as input (tonnes)	525	596
<b>Energy and Emissions</b>		
Energy consumed in the institution (Gj)	19.163	22.012
<i>Direct Energy Consumption</i>		
Natural gas (m3)	100.973	123.597
<i>Indirect Energy Consumption</i>		
Electricity (kWh)	3.147.185	4.810.457
Renewable energy production amount (kWh)	321.860	306.686
Share of renewable energy consumption in total energy	%87	%91
Indirect emissions from natural gas consumption (tonCO2e)*	271,3	332,1
Emissions from electricity consumption (tonCO2e)**	1.363	2.083,5
Greenhouse gas emission intensity ((ton/number)*1000)	1,58	1,72
Energy saving amount (Gj)	792	1104

\*The IPCC guidance was used to determine the emission factor used to reduce emissions produced by natural gas usage.

\*\*The emission factor used to avoid emissions from electricity usage was gathered from statistics from the International Energy Agency (IEA).



Environmental Performance Indicators	2020	2021
<b>Water Consumption</b>		
Mains water withdrawat amount (m3)	23.666	28.866
Volume of water saved (recycled and reused) (m3/year)	7.008	4.955
Saved water (%)	29,61	17,16
Water density ((m3/piece)*100)	1,50	1,80
<b>Wastes</b>		
<i>Hazardous Waste Amount (tonnes)</i>		
Recovery (ton/year)	236.222	210.765
Landfill	0	0
<i>Non-hazardous Waste Amount (tonnes)</i>		
Recovery (kg/year)	7.610	6.820
Landfill	0	0
<b>Environmental Management</b>		
Total hours of environmental training given to employees	110	135
Number of employees who received environmental training	110	180
Environmental management expenditures	290.873,00	1.817.593,00

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