SAHA

Corporate Governance and Credit Rating Services, Inc.

Corporate Governance Rating Report

SUN TEKSTİL

Yedi Eylül Mahallesi, Celal Umur Caddesi, No: 6/A
Torbalı/İzmir

19 August 2026

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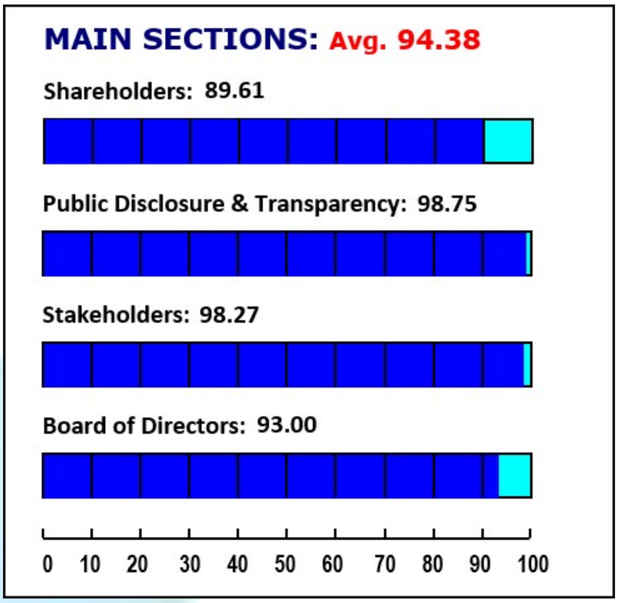
Rating and Executive Summary

SUN TEKSTİL SANAYİ ve TİCARET A.Ş. (SUNTK)

SAHA
Corporate Governance Rating:

9.44



WORLD CORPORATE GOVERNANCE INDEX Group 1

EXECUTIVE SUMMARY

SUN Tekstil Sanayi ve Ticaret A.Ş.'s ("Sun Tekstil") previous Corporate Governance Rating of 9.35 dated August 22, 2025 is hereby revised as **9.44**. SAHA's rating methodology is based on the Capital Markets Board's ("CMB") "Corporate Governance Principles" ("Communiqué") released on January of 2014.

SAHA publishes (annually) the World Corporate Governance Index (WCGI) which ranks countries in terms of their level of compliance with corporate governance principles as well as their germane institutions, rules, codes, and regulations together with international standards and indices which evaluate countries in a vast array of areas such as transparency, corruption, ease of doing business, etc.. SUN Tekstil ranks in Group 1—which includes countries that scored 80 or higher out of 100—according to the World Corporate Governance Index ("WCGI") published by SAHA on March 5, 2026. Details of the World Corporate Governance Index (WCGI) published by SAHA can be accessed at http://www.saharating.com.

SUN Tekstil is rated with **8.96** under the **Shareholders** heading. Exercise of shareholders' rights complies with the legislation, Articles of Association and other in-house rules and regulations, and measures have been taken to ensure the exercise of these rights. The Company conducts its shareholder relations activities through the Investor Relations Department. All procedures leading up to the General Shareholders' Meeting and the conduct of the meeting are carried out in accordance with the legislation, rules and regulations. There are publicly disclosed dividend and donation policies of the Company. There are restrictions on free transfer of Group A shares. On the other hand, there are areas for improvement like adoption as it is, of the rate of minority rights as prescribed for public joint stock companies (%5), privileges on Board nominations, and absence of a provision in the Articles of Association on holding the General Shareholders' Meetings open to the public.

SUN Tekstil attained **9.88** under the **Public Disclosure and Transparency** chapter. The Company has a comprehensive web site. Public announcements are made via all communications channels and are in accordance with the Capital Markets Board (CMB) and Borsa Istanbul (BIST) rules and regulations. The Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF) have been disclosed to the public through the Public Disclosure Platform (PDP) in accordance with the legislation, and included in the Annual Report. The Annual Report complies with the legislation, comprehensive and informative. The Company's shareholding structure; the names, amount and rate of the shares held by the Company's ultimate controlling individual shareholders over 5% as identified after being released from indirect or cross shareholding relationships between co-owners is disclosed to the public along with the privileges they hold. The agreement and work conducted with the external auditor also complies with the legislation.

On the topic of **Stakeholders**, SUN Tekstil scored **9.83**. SUN Tekstil protects the interest of stakeholders under good faith principles and within the capabilities of the Company, and effective and expeditious compensation is provided in case of violation of the rights. The Company has a written and advanced human resources policy. Code of ethics and an employee compensation policy is publicly available through the corporate web site. During the rating period, SUN Tekstil was not held liable by any public authority for any sanctions that would affect its activities. The Company complies with environmental laws. Its Corporate Social Responsibility and sustainability initiatives are satisfactory and a detailed Sustainability Report has been prepared and published.

From the perspective of the principles regarding the **Board of Directors**, SUN Tekstil's tally is **9.30**. There are well communicated Company vision and strategic goals. The Board of Directors fulfills all duties regarding Company needs. The chair of the Board of Directors is not the same person as the General Manager. The Board consists of 6 members with 2 independent and 2 executive members. There are 3 female members on the Board of Directors. Declarations of independence of the independent Board members are included in the Annual Report. Corporate Governance, Audit, Early Detection of Risk, and Sustainability Committees are established within the Board of Directors. The working principles of the Committees are disclosed to the public. Principles of remuneration of Board members and senior executives are included on the corporate web site. The procedures for conducting Board of Directors meetings are set forth in writing in the Company's internal regulations. Losses that may be incurred by the Company as a result of not performing the Board members' duties duly are not insured.

Rating Methodology

SAHA's methodology for rating the degree of compliance with the Principles of Corporate Governance is based upon the CMB's "Corporate Governance Principles" released on January 2014.

The CMB based these principles on the leading work of The World Bank, The Organization of Economic Cooperation and Development (OECD), and the Global Corporate Governance Forum (GCGF) which has been established in cooperation with the representatives of the preceding two organizations and private sector. Experts and representatives from the CMB, Borsa Istanbul and the Turkish Corporate Governance Forum have participated in the committee that was established by the CMB for this purpose. Additionally; many qualified academicians, private sector representatives as well as various professional organizations and NGOs have stated their views and opinions, which were added to the Principles after taking into account country specific issues. Accordingly, these Principles have been established as a product of contributions from all high-level bodies.

Certain applications of the Principles are based on "comply or explain" approach and others are mandatory. However, the explanation concerning the implementation status of the Principles, if not detailed reasoning thereof, conflicts arising from inadequate implementation of these Principles, and explanation on whether there is a plan for change in the Company's governance practices in future should be mentioned in the Annual Report and disclosed to the public.

The Principles consist of four main sections: shareholders, public disclosure and transparency, stakeholders, and the Board of Directors.

Based on these Principles, the SAHA Corporate Governance Rating methodology features around 330 sub-criteria. During the rating process, each criterion is evaluated on the basis of information provided by the Company officials and disclosed publicly. Some of these criteria can be evaluated by a simple YES/NO answer; others require more detailed analysis and examination.

SAHA assigns ratings between 1 (weakest) and 10 (strongest). In order to obtain a rating of 10, a company should be in full and perfect compliance with the Principles (see Rating Definitions, p.24).

To determine the total rating score for each main section parallel to the CMB's Corporate Governance Principles, SAHA allocates the following weights:

Shareholders: **25%**
Public Disclosure and Transparency: **25%**
Stakeholders: **15%**
Board of Directors: **35%**

To determine the final overall rating, SAHA utilizes its proprietary methodology which consists of sub-section weightings and weightings for the criteria there under. A separate rating is assigned to each one of the main sections as well.

Company Overview

SUN Tekstil Sanayi ve Ticaret A.Ş.	
SUN TEKSTİL	**CHAIRMAN OF THE BOARD** Elvan ÜNLÜTÜRK **General Manager (CEO)** Melis VEKİLOĞLU
Headquarters: Yedi Eylül, Celal Umur Cd. No:6/A, 35860 Torbalı / Izmir www.suntekstil.com.tr	**Director of Finance and Investor Relations** Gizem ULUIŞIK gizem.uluisik@suntekstil.com.tr

SUN Tekstil Sanayi ve Ticaret A.Ş. ("the Company") was established on November 10, 1987. The Company operates in the textile and ready-to-wear manufacturing sector, and its primary business consists mainly of the production of knitwear and the sale of such products to domestic and international customers. SUN Tekstil exports to more than 10 countries selling in-house designed collections to leading brands in Europe. The Company's main markets are Spain, the United Kingdom and Sweden with production carried out in collaboration with approximately 30 manufacturing partners. The Company conducts its operations at its facilities in the Torbalı Organized Industrial Zone in Izmir and has a total of five design offices in the United Kingdom, Spain and Türkiye.

The Company has three subsidiaries, Ekoten Tekstil Sanayi ve Ticaret A.Ş. ("Ekoten Tekstil"), Sun Textile UK Limited ("Sun UK"), and Ekoten CentroAmérica Sociedad Anónima ("Ekoten CentroAmérica") which in turn have joint ventures with Myth Yapay Zeka ve Tekstil A.Ş. ("Myth AI") and Mintgrams Technologies Inc. ("Refabric"). Ekoten Tekstil produces fabrics sustainably for global brands in the apparel, technical textiles, medical, and sportswear markets, incorporating innovation and sustainability with new methods and cutting-edge technology throughout all its production processes. Sun Textile UK Limited continues to operate internationally, leveraging its advanced design and product development capabilities in collaboration with its UK-based design team to maintain its competitive edge by staying in close contact with customers in the global market and providing flexible and responsive service. Ekoten CentroAmérica operates in Guatemala as part of its global growth strategy to serve customers in the Americas from a closer location, strengthen its regional supply capabilities, offer services with shorter lead times, and develop a production infrastructure capable of adapting to changing global trade dynamics. Myth Yapay Zeka ve Tekstil A.Ş. is a technology company that uses artificial intelligence to create patterns. Mintgrams Technologies Inc. is a generative AI-powered design platform specifically designed for the fashion industry, offering innovative AI-based solutions for design processes.

SUN TEKSTİL's shareholding structure is as follows:

Capital Structure		
Shareholders	**Share Value (TL)**	**Share %**
Elvan Ünlütürk	141,910,000	29.90
Şefika Günseli Ünlütürk	124,160,000	26.16
QNB Portfolio Solaris Free Private Fund (*)	32,000,000	6.74
Ayşe Ünlütürk	22,750,000	4.79
Mehmet Muammer Ünlütürk	20,250,000	4.26
Azize Ceylan Ünlütürk Yeşilova	20,250,000	4.26
Other (*)	113,280,000	23.87
Total	**474,600,000**	**100.00**

(*) Publicly traded shares.

SUN Tekstil, whose shares were publicly offered in 2022, is listed on the Borsa Istanbul Stars Market under the ticker symbol "SUNTK" and is a constituent of BIST DIVIDEND / BIST TEXTILE LEATHER / BIST 500 / BIST IZMIR / BIST PARTICIPATION SUSTAINABILITY / BIST ALL SHARES-100 / BIST PARTICIPATION DIVIDEND / BIST SUSTAINABILITY / BIST PARTICIPATION ALL SHARES / BIST STARS / BIST ALL SHARES / BIST PARTICIPATION 100 / BIST INDUSTRIALS, and BIST CORPORATE GOVERNANCE indices.

In accordance with the resolution adopted at the General Shareholders' Meeting held on June 23, 2026, it was decided to distribute dividend based on the net income for the 2025 fiscal year, amounting to TL 693,213,148, as reported in the Company's consolidated financial statements prepared in accordance with Turkish Financial Reporting Standards (TFRS). In this context, taking into account the donations totaling TL 2,139,308 made during the year in accordance with Capital Markets Board (CMB) regulations, it was resolved to distribute a first dividend of TL 245,130,900, corresponding to 30% of net distributable profit; to set aside TL 22,140,090 from the remaining amount as the General Legal Reserve; and to allocate the remaining balance as an Excess Reserve. Accordingly, it was approved to pay shareholders a total of TL 208,361,265 in net cash dividend in a single installment, and the Board of Directors was authorized to determine the dividend payment date.

Members of the Company's Board of Directors and Their Duties:

Board of Directors	
Members	**Title**
Elvan Ünlütürk	Chairwoman
Mustafa Sabri Ünlütürk	Vice-chairman
Melis Vekiloğlu	Board Member / General Manager
İshak Aydın Öztürk	Board Member
Elif İdil Türkmenoğlu	Independent Board Member
Marc Murat Sağman	Independent Board Member

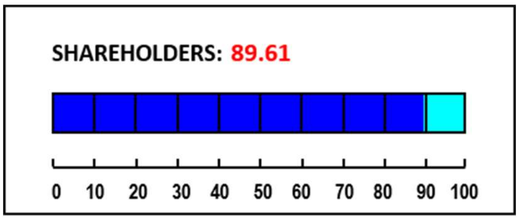
**The six-member Board of Directors includes two executive members.*

Corporate Governance Committee	
Members	**Title**
Elif İdil Türkmenoğlu	Chairwoman
Marc Murat Sağman	Member
Gizem Uluışık	Member

Audit Committee	
Members	**Title**
Marc Murat Sağman	Chairman
Elif İdil Türkmenoğlu	Member

Early Detection of Risk Committee	
Members	**Title**
Marc Murat Sağman	Chairman
Elif İdil Türkmenoğlu	Member

SECTION 1: SHAREHOLDERS



SYNOPSIS	
+	Equal treatment of shareholders.
+	Active investor relations department.
+	General Shareholders' Meetings are conducted in compliance with the legislation.
+	Specific and consistent dividend distribution policy.
+	Donation and grants policy approved at the General Shareholders' Meeting and made public.
=	Minority rights are not recognized for shareholders who possess an amount less than one-twentieth of the share capital.
=	No restrictions on the transfer of Class B public shares, but transfer of Class A shares is restricted.
=	Privileges in voting and nominating candidates for the Board of Directors, but not exceeding 50% of the share capital.
-	Conduct of General Shareholders' Meeting open to public is not regulated in the Articles of Association.

1.1. Facilitating the Exercise of Shareholders' Statutory Rights:

In order to protect and facilitate the exercise of shareholders' rights an "Investor Relations Department" has been established and working actively.

Ms. Gizem Uluışık is the Director of Investor Relations at SUN Tekstil, holding certifications in Advanced Capital Markets and Corporate Governance Rating.

The Investor Relations Department plays an active role in protecting and facilitating shareholders' rights and in particular the right to obtain and review information, and its duties are as follows;

a. To ensure that the records relating to the written correspondence with the investors and other information are kept in a healthy, safe and updated manner.

b. To respond to the queries of the shareholders requesting written information on the Company, except for information not classified as confidential and/or a trade secret.

c. To ensure the General Shareholders' Meeting is held in compliance with the applicable legislation, Articles of Association and other Company by-laws.

d. To prepare the documents that might be used by shareholders in the General Shareholders' Meeting.

e. To supervise the fulfillment of the obligations arising from capital markets legislation including all corporate governance and public disclosure matters.

The Investor Relations Department submits reports to the Board of Directors twice a year regarding its ongoing activities.

At SUN Tekstil, with a free float ratio of 23.87%, information and disclosures that may affect the exercise of shareholders' rights are kept up to date and made available to shareholders on the Company's corporate website.

SUN Tekstil offers all shareholders the opportunity to participate in informational meetings outside of the General Shareholders' Meeting; in this context, a total of six online meetings were held with investors and analysts during 2025.

1.2. Shareholders’ Right to Obtain and Evaluate Information:

There is no evidence of any hindering process or application regarding the appointment of a special auditor at the request of shareholders and no such demand was received within the reporting period.

All kinds of information about the Company required by the legislation are provided in a complete, timely, honest, and diligent manner and there is no fine or warning received in this regard.

The Company’s disclosure policy was presented to the General Shareholders’ Meeting held in 2021 and is available on the corporate web site.

1.3 Minority Rights:

Maximum care is given to the exercise of minority rights. However, minority rights are not recognized for shareholders who hold an amount less than one-twentieth of the share capital and the Company has adopted exactly the rate foreseen in the legislation for listed companies.

There is no evidence of any conflict of interest between the majority shareholders and that of the Company.

1.4. General Shareholders’ Meeting:

In addition to the methods of invitation in the legislation and to ensure attendance of maximum number of shareholders, the invitation to the Ordinary General Shareholders’ Meeting held on June 23, 2026 covering the 2025 fiscal year, is performed through all means of communication available to the Company on May 13, 2026 in accordance with the Corporate Governance Principles.

All announcements prior to the General Shareholders’ Meeting included information such as the date and time of the meeting; without any ambiguity exact location of the meeting; agenda items of the meeting; the body inviting to the General Shareholders’ Meeting; and the exact location where Annual Report, financial statements and other meeting documents can be examined.

Besides, the Company has prepared a descriptive disclosure document on agenda items.

Commencing from the date of announcement of invitation for the General Shareholders’ Meeting; the Annual Report, financial statements and reports, and all other related documents pertaining to the agenda items along with the dividend distribution proposition are made available to all shareholders for examination purposes in convenient locations including the headquarters of the Company, and the electronic media.

Shareholders are informed of the following issues prior to the General Shareholders’ Meeting via the corporate web site:

a. Total number of shares and voting rights reflecting the Company’s shareholding structure as of the date of disclosure, number of shares and voting rights reflecting the privileged share group within the Company capital, and the nature of the privileges.

b. Grounds for dismissal and replacement of Board members, candidates' backgrounds and tasks carried out in the last decade, the nature and significance level of their relationship with the Company and its related parties, whether they are independent or not, and information on similar issues.

c. Information on changes in management and activities of the Company and its subsidiaries in the previous fiscal year, or planned for the upcoming fiscal period which can significantly affect the Company operations.

Agenda items were put under a separate heading and expressed clearly in a manner not to result in any misinterpretations. Expressions like "other" and "various" were not used. Information submitted to the shareholders prior to the conduct of the General Shareholders' Meeting was related to the agenda items.

General Shareholders' Meetings take place at the Company headquarters.

Items on the agenda were conveyed in detail and in a clear and understandable way by the chairman of the meeting and shareholders were given equal opportunity to voice their opinions and ask questions.

The members of the Board of Directors related with the issues of a special nature on the agenda, other related personality, authorized persons who are responsible for preparing the financial statements and auditors were present to give necessary information and to answer questions at the General Shareholders' Meeting. Four Board members were present at the General Shareholders' Meeting.

Agenda of the General Shareholders' Meeting included the proposal for the permission to be granted to shareholders who have control of the management, members of the Board of Directors, managers with administrative responsibility, their spouses and up to second degree blood relatives to execute transactions and compete with the Company and/or its affiliates, to make a commercial business transaction for himself or on behalf of others or to join to another company dealing with the same type of commercial business as a partner with unlimited responsibility. Under the same agenda item, shareholders were informed that disclosures regarding the transactions in question are included in footnote 5, titled "Related Party Disclosures," of the financial statements dated December 31, 2025.

The Company has established a policy on donations and grants to be provided and submitted to the shareholders for approval at the General Shareholders' Meeting held in 2021. In this context, at the most recent Meeting held on June 23, 2026, shareholders were informed via a separate agenda item about the total amount and beneficiaries of all donations and grants realized during the period, and the cap was set for donations to be carried out in 2026.

The Articles of Association of the Company do not contain a clause on attendance of those including stakeholders and media with no voting rights to the General Shareholders' Meetings.

1.5. Voting Rights:

At SUN Tekstil, all shareholders, including those who reside abroad, are given the opportunity to exercise their voting rights conveniently and appropriately.

As specified in Article 12 of the Articles of Association, each Class A share carries 5 voting rights. However, Class A shares constitute 11% of the total capital. Furthermore, under the Articles of Association, Class A shareholders are granted certain privileged rights regarding management. In this regard, it is stipulated that half of the Board of Directors members, excluding the independent members, must be selected from among Class A shareholders or candidates nominated by them.

1.6. Dividend Rights:

The dividend policy of SUN Tekstil is clearly defined. It is submitted to the shareholders' approval at the General Shareholders' Meeting and disclosed to the public on the Company's web site.

The Company's dividend distribution policy contains minimum information clear enough for investors to predict any future dividend distribution procedures and principles.

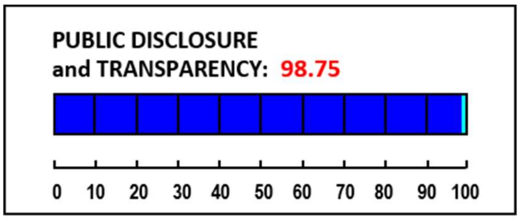
A balanced policy is followed between the interests of the shareholders and those of the Company. The dividend distribution proposal presented to shareholders at the most recent General Shareholders' Meeting included all the necessary information.

In addition, a provision on advance dividend payments is included in the Articles of Association.

1.7. Transfer of Shares:

With regard to the transfer of shares, there are no restrictions on the transfer of the Company's publicly traded shares. However, in the event of a transfer of Class A shares to third parties or to natural or legal persons who are already shareholders of the Company, it is stipulated that such shares must first be offered to other Class A shareholders, and the Company's Board of Directors has the authority to refuse to approve the transfer of Class A shares and to reject their registration in the share register in accordance with the criteria set forth in Article 7 of the Articles of Association, titled "Transfer of Shares."

SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY



SYNOPSIS	
+	Comprehensive web site, actively used for public disclosure.
+	Disclosure Policy established and publicly disclosed via the web site.
+	Annual Report complies with the legislation, comprehensive and informative.
+	Important events and developments disclosed in accordance with the legislation.
+	Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) prepared and disclosed to the public in accordance with the relevant legislation provisions.
+	Ultimate controlling individual shareholders disclosed to the public.
+	English-language web site designed for international investors.
+	Dividend distribution policy disclosed to public via web site.

2.1. Corporate Web Site:

Foreign investors and shareholders can easily access SUN Tekstil's corporate web site, which is also available in English, and it is actively used as a tool for public disclosure. The information on the site is accurate, complete, understandable, and interpretable, and is updated in a timely manner.

Along with the information required to be disclosed pursuant to the legislation, the Company's web site includes; trade register information, information about latest shareholder and management structure, detailed information on privileged shares, the date and number of the trade registry gazette on which the changes are published along with the final version of the Company's Articles of Association, publicly disclosed material information included in PDP announcements, periodical financial statements, Annual Reports, other public disclosure documents, agendas of the General Shareholders' Meetings and list of participants and minutes of the Meeting, form for proxy voting at the General Shareholders' Meeting, disclosure policy, dividend distribution policy, ethical rules of the Company, frequently asked questions, and responses thereof.

The Company's shareholding structure; the names, amount and rate of the shares held by the Company's ultimate controlling individual shareholders over 5% as identified after being released from indirect or cross shareholding relationships between co-owners is disclosed on the corporate web site.

The information on the web site has also been prepared in English, close to Turkish content, for the benefit of international investors. However, full overlap has not yet been achieved.

The Company's web site also includes; investor presentations, working principles of the Committees, the donation policy, important Board decisions under the heading of material disclosures, the vision/mission of the Company established by the Board, information on dividend payments and capital increases for the last 5 years, news, General Shareholders' Meeting internal guidelines, social responsibility activities, the sustainability report, information on senior management, financial data, main ratio analysis, information about the protection of personal data regarding the web site, timetable on events/developments which considers investments, and the human resources policy.

SUN Tekstil prepared the Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF) and published them on PDP one month prior to the Ordinary General Meeting held on June 23, 2026.

2.2. Annual Report:

Annual Report is prepared in detail by the Board of Directors to provide public access to complete and accurate information on the Company and it covers information such as;

- Period covered by the report, the title of the Company along with the trade register number, contact information,

- The names and surnames of the chairman and members served on the Board during the covered period, tenure of office (with start and end dates),

- The sector in which the Company operates and information on its position within,

- Qualifications of the Company's units, general explanations related to their activities and performances, and yearly developments,

- Progress on investments, the eligibility status on incentives, and to what extent,

- Corporate Governance Principles Compliance Report within PDP disclosure format,

- Corporate Governance Information Form within PDP disclosure format,

- Information on related party transactions,

- Other issues not included in the financial statements, but are beneficial for users,

- Company's organization, capital and ownership structure,

- Benefits provided to staff and workers, information on number of personnel,

- Explanations regarding privileged shares and the number of votes attached to shares,

- The dividend distribution policy,

- Information on R&D and innovation activities,

- Basic ratios on the financial position, profitability and solvency,

- Company's financing resources and risk management policies.

- Information on major events occurred between the closing of the accounting period and the date of the General Shareholders' Meeting where financial statements are evaluated.

In addition to the matters specified in the legislation following issues also took place in the Annual Report;

- Information on external duties of Board members and executives,

- Declaration of independence of the related Board members,

- Members of the Board of Directors' Committees, frequency of meetings, and working principles,

- Number of Board meetings held during the year and participation status of the members,

- Information confirming that there have been no changes in legislation which could significantly affect the Company's operations,

- Major court cases against the Company and possible consequences,

- Disclosure of the fact that there is no cross shareholding in excess of 5% of the share capital,

- Information regarding corporate social responsibility initiatives related to employees' social rights, vocational training, and other Company activities with social and environmental implications,

- Rating results,

- Application status of the corporate governance principles as required by the CMB communiqué, explanations on reasons behind any non-compliance,

- A collective list of the compensation and all other benefits provided to members of the Board of Directors and executives with managerial responsibilities.

2.3. External Audit:

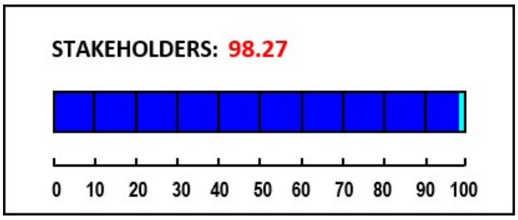
The external audit of the Company is conducted by Sun Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş.

There has not been a situation during the reporting period where the external auditor avoided to express its opinion and not signed the audit report, nor has reported a qualified opinion. It has been declared by the Company officials that there has been no legal conflict between the Company and the external audit firm.

Independent audit firm and their audit staff did not provide consulting services for a price or free of charge during the audit period.

Neither a consulting company in which the external audit firm is in a dominant position either directly or indirectly in management or capital provided any consulting services during the same period.

SECTION 3: STAKEHOLDERS



	SYNOPSIS
+	Measures to safeguard stakeholders’ rights are facilitated.
+	Efficient Human Resources policy.
+	Strict quality standards for goods and services.
+	Code of ethics disclosed to the public.
+	A written employee compensation policy is established and disclosed to the public on the web site.
+	Company complies with environmental laws, has implemented Corporate Social Responsibility initiatives, and established an Environmental Policy.
+	A comprehensive Sustainability Report has been made available to the public on the web site.
+	In cases which management reshuffle could cause disruptions, succession planning for determination of new manager appointments is in place.

3.1. Company Policy Regarding Stakeholders:

SUN Tekstil’s corporate governance framework recognizes the rights of stakeholders established by law or through any other mutual agreement. In case the rights of the stakeholders are not regulated by the relevant legislation and protected by contracts, the Company protects the interest of stakeholders under good faith principles and within the capabilities of the Company. Effective and expeditious compensation is provided in case of violation of the rights.

The Company has established an employee compensation policy and disclosed it to the public via the corporate web site

Stakeholders are adequately informed about the Company’s policies and procedures regarding the protection of their rights, including through the corporate web site.

The Company has also established reporting mechanisms to enable stakeholders to report transactions that violate regulations or are unethical. Reports submitted through this channel are forwarded to the Ethics Committee and are received via email.

The Ethics Committee is responsible for evaluating reports and complaints regarding ethical principles, and the relevant units conduct the necessary reviews and investigations.

3.2. Stakeholders’ Participation in the Company Management:

Models have been developed to support the participation of stakeholders in the Company's management. Although there is no specific provision regarding this matter in the Articles of Association, the freedom of expression and open-door policy adopted under internal regulations encourage employees to directly convey their opinions, suggestions, requests, and complaints to their managers and the

Human Resources department. In addition, employees can share their innovative ideas and suggestions through the "ÇözümünüSun" and "MES (Production Execution Systems)" platforms.

3.3. Company Policy on Human Resources:

The Company has a written and effective human resources policy, the main points of which are disclosed to the public through its sustainability report and web site.

The principle of providing equal opportunities to individuals under equal conditions is upheld in hiring processes and career planning; employees are evaluated based on their knowledge, skills, performance, and competencies.

The Company's human resources department conducts training and development activities aimed at enhancing employees' knowledge, skills, and competencies; it supports employees' career development and the creation of a sustainable organizational structure through Career Mapping and talent management initiatives. As part of these efforts, employees' performance and potential are assessed, and succession planning initiatives are implemented.

However, a succession plan has been prepared for key management positions in cases where changes in management positions are anticipated to cause disruptions to the Company's management.

In cases which management reshuffle could cause disruptions, a succession planning for determination of new manager appointments is in place.

The Company carries out its processes—from workforce planning to recruitment and placement, performance management, talent management, training and development management, and compensation and benefits management—in line with its philosophy of continuous improvement and high performance. In addition, the "ÇözümünüSun" and "MES" platforms are used to enable employees to share their ideas, suggestions, and feedback. There is a union within the Company, and employees who are members of the union are covered by the collective bargaining agreement.

3.4. Relations with Customers and Suppliers:

SUN Tekstil has adopted practices aimed at ensuring customer satisfaction in the marketing and sale of its goods and services. The Company's marketing and sales efforts are based on providing customers with accurate and complete information.

The Company's production processes are conducted in accordance with international quality, environmental, information security, and sustainability standards, and as part of this, it has been certified under OCS-RCS, ISO 14001, ISO 27001, OEKO-TEX Standard 100, BCI-SC, and ISO 14064.

Under the Company's published Code of Conduct, suppliers are expected to act in accordance with ethical, environmental, and social responsibility principles; compliance with the established rules of conduct by manufacturers and suppliers is specified as a condition of doing business with the Company.

Care is taken on the confidentiality of information about customers and suppliers within the framework of protection of trade secrets.

No evidence has been encountered on non-market pricing of goods and services of the Company.

3.5. Ethical Rules & Social Responsibility:

SUN Tekstil has established its code of ethics and published it on its corporate web site under the heading "Principles of Conduct." The Company acts with a sense of social responsibility in its operations and places importance on compliance with regulations regarding the environment, consumers, public health, and ethical standards.

The Company supports and respects internationally recognized human rights. In addition, SUN Tekstil is committed to combating all forms of unethical practices, including bribery and corruption, and has included provisions regarding the prevention of mobbing and harassment in its Code of Conduct.

The Company's emphasis on equal opportunity is reflected in its workforce composition and its initiatives aimed at empowering women in the workplace. Women account for 50% of the SUN Tekstil Board of Directors, 63% of all managers, and 41% of the total workforce.

As part of its social responsibility and community engagement efforts, the Company runs various initiatives aimed at fostering the development of young talent. Through programs such as "Gelecek SUN'da," "Sun Design Project," and "Digitalise the Next," the Company supports the professional development of young people and provides them with opportunities to gain industry-specific knowledge and experience. In addition, it conducts awareness campaigns focused on employment through events organized with universities and young talent.

SUN Tekstil has adopted a learning organization culture to support the continuous development of employees and conducts training programs in the areas of personal development, digital transformation, sustainability, operational processes, and organizational development through its digital learning platform, Sun Academy.

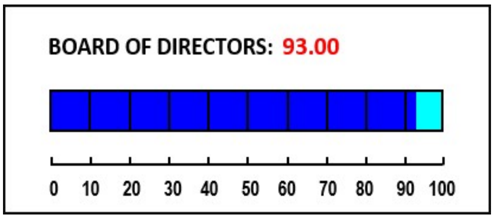
3.6. Sustainability:

The Company considers sustainability to be one of the key elements of its business strategy; it regularly monitors its performance in the areas of environmental, social, and governance (ESG) and shares this information with the public. In this context, combating climate change, the circular economy, the transition to a low-carbon economy, resource efficiency, energy, water, chemical, and zero-waste management, as well as environmentally responsible production processes, are among its priority sustainability areas.

The Company shares its policies, practices, and targets—established in line with its sustainability approach—with the public through its Sustainability Reports and Annual Reports. These reports include disclosures regarding the Company's sustainability performance, environmental and social indicators, initiatives undertaken, and targets for the coming period. SUN Tekstil's sustainability reporting process is conducted in accordance with the Global Reporting Initiative (GRI) Standards, and as part of its membership in Textile Exchange, it carries out initiatives aimed at promoting the use of sustainable raw materials, responsible production, and the adoption of sustainability principles throughout the supply chain.

It is evident that sustainability activities are managed and monitored through the Sustainability Committee, which was established to coordinate and track sustainability efforts within the Company. The fact that sustainability issues are addressed at the Board of Directors level, that relevant performance indicators are monitored, and that sustainability-related risks and opportunities are assessed is viewed positively. It is observed that the Company shapes its sustainability strategy in line with stakeholder expectations and the United Nations Sustainable Development Goals; it regularly monitors its sustainability targets and performance indicators and shares them with the public. Additionally, SUN Tekstil has been publishing sustainability reports since 2021 and regularly shares its sustainability implementations with the public.

SECTION 4: BOARD OF DIRECTORS



SYNOPSIS	
+	Vision, mission and strategic goals are defined.
+	The Board is staffed with effective and qualified members.
+	Audit, Corporate Governance, Early Detection of Risk, and Sustainability Committees are established and operating.
+	The powers of the Chairman of the Board of Directors and the CEO/General Manager have been separated.
+	Conduct of the Board meetings defined in internal regulations and meeting and decision quorums included in the Articles of Association.
+	Principles of remuneration of Board members and senior executives are set and disclosed to the public.
+	3 female Board members.
+	4 independent Board members.
-	No management liability insurance to cover damages caused to the Company as a result of negligence by members of the Board of Directors during the execution of their duties.

4.1. Functions of the Board of Directors:

Strategic decisions of the Board of Directors aim to manage the Company's risk, growth, and return balance at an appropriate level and conduct a rational and cautious risk management approach with a view to the long-term interests of SUN Tekstil. The Board administers and represents the Company within these parameters.

The Board of Directors has defined the Company's strategic goals and identified the needs in human and financial resources, and controls management's performance. The Board also oversees that Company activities are managed in compliance with the legislation, Articles of Association, internal procedures and established policies.

4.2. Principles of Activity of the Board of Directors:

Board of Directors performs its activities in a transparent, accountable, fair and responsible manner.

Distribution of tasks between the members of the Board of Directors is explained in the Annual Report.

The Board of Director’s resolution (statement of responsibility) regarding the approval of the financial statements, Annual Report and the Corporate Governance Compliance Report also includes the CRF, and the CGIF templates disclosed on PDP.

The Board of Directors established internal control systems which are inclusive of risk management, information systems, and processes by also taking into consideration the views of the Committees. In this context, the Board reviews the effectiveness of risk management and internal control systems at least once a year.

The presence, functioning, and effectiveness of internal controls and internal audit are explained in the Annual Report. The duties of the Chairman of the Board of Directors and the CEO (GM) are distinct and clearly defined. The chairman of the Board and the CEO are not the same person at SUN Tekstil and there is no individual in the Company who has unlimited authority to take decisions on his/her own.

SUN Tekstil's Board of Directors acts as a pioneer in providing efficient communication between the Company and the shareholders, in resolving and in settling disputes that may arise between these and for this purpose it is in close cooperation with the Corporate Governance Committee and Investor Relations Department.

There is no management liability insurance to cover damages caused to the Company by the negligence of members of the Board of Directors during the performance of their duties.

4.3. Structure of the Board of Directors:

Board of Directors of SUN Tekstil is composed of six members of which two hold executive duties. There are also two independent members who have the ability to execute their duties without being influenced under any circumstances.

CMB criteria are complied with in determining independent candidates. Independent candidates for the Board of Directors have each signed a declaration of independence within the framework of the legislation, Articles of Association, and the CMB criteria. These declarations can also be found in the Annual Report.

SUN Tekstil's Board of Directors includes three female members, which exceeds the 25% target set by the Capital Markets Board (CMB) in its Corporate Governance Communiqué No. 28871. The Company has also established a Policy on Female Board Members to ensure that this target is met and reviewed annually.

4.4. Conduct of the Meetings of the Board of Directors:

The Board of Directors meets as frequently as necessary to conduct the Company's business. In this regard, the Annual Report states that the Board held 12 in-person meetings in 2025, with a 94% attendance rate, and adopted 38 resolutions.

Chairman of the Board of Directors sets the agenda for Board meetings in consultation with other members of the Board and the general manager.

Information on the agenda items of the Board of Directors is made available to the members in sufficient time prior to the meeting date by a coordinated flow of information.

Each member of the Board has a right to one vote.

The conduct of the Board of Directors' meeting as well as the decision quorum have been included in the Articles of Association of the Company.

There are no restrictions in the Company's Articles of Association or internal regulations regarding Board members holding external positions. Such positions held by Board members have been disclosed to shareholders at the General Shareholders' Meeting and on the Public Disclosure Platform.

4.5. Committees Established Within the Board of Directors:

A Corporate Governance Committee, an Audit Committee, a Committee for Early Detection of Risk, and a Sustainability Committee are established from within the Board of Directors in order to fulfill its duties and responsibilities.

Functions of the Committees, their working principles, and its members are designated by the Board of Directors and disclosed to the public on the corporate web site and included in the Annual Report.

Both members of the Audit Committee and the chair of the Corporate Governance and Early Detection of Risk Committees are elected among the independent Board members. The Corporate Governance Committee consists of 3 members, and the Early Detection of Risk Committee consists of 2 members. The General Manager (CEO) does not serve on any Committee.

Except for independent members, care is taken to ensure that a Board member does not serve on more than one Committee.

The Corporate Governance Committee consists of three members, two of whom are independent Board members; Ms. Gizem Uluışık, Director of Finance and Investor Relations, also serves as a member of the Committee.

All necessary resources and support needed to fulfill the tasks of the Committees are provided by the Board.

The frequency of Committee meetings is sufficient, all activities are documented and records are kept. Reports containing information about the activities and the resolutions of the meetings are submitted to the Board of Directors.

The Corporate Governance Committee is established in order to determine whether or not the corporate governance principles are being fully implemented by the Company, if implementation of some of the principles are not possible, the reasons thereof, and assess any conflict of interests arising as a result of lack of implementation of these principles, and present remedial advices to the Board of Directors. In addition, it oversees the work of the investor relations unit.

Since the Board of Directors has not established a Nomination nor a Remuneration Committee, the Corporate Governance Committee has been tasked with performing their functions. These responsibilities are defined in the Committee’s bylaws.

Audit Committee supervises the operation and efficiency of the Company’s accounting system, public disclosure of the financial information, independent auditing, and the operation and efficiency of internal control and internal audit systems.

At the same time, the Committee determines the methods and criteria to be applied in examining and concluding the complaints received by the Company regarding the accounting and internal control systems and independent audit, and evaluating the Company's employees' reports on accounting and independent audit issues within the framework of the principle of confidentiality and finalizes them.

The Audit Committee notifies its evaluations with regard to the veridicality and accuracy of the annual and interim period financial statements to be disclosed to the public and accounting principles followed by the Company to the Board of Directors in writing, together with the opinions of the responsible executives and independent auditors.

The Committee has convened eleven times during the reporting period. Audit Committee members possess the qualifications listed in the Corporate Governance Principles communiqué. The Annual Report contains information on the Audit Committee's activities and the results of its meetings; during the reporting period, eleven written reports were submitted to the Board of Directors.

The nomination and election process of the external audit firm, taking into account its competence and independence, starts with a proposal from the Audit Committee to the Board and ends with the Board's choice being presented and approved at the general shareholders' meeting.

Early Detection of Risk Committee carries out its tasks towards early detection of risks which may jeopardize the Company's assets, its development and progression, and measures taken to mitigate and manage those risks, and reviews the risk management systems at each meeting and documents its findings in a report. The Committee held six face-to-face meetings in 2025 and submitted six reports to the Board of Directors.

A Sustainability Committee has been established within the Board of Directors to evaluate SUN Tekstil's annual sustainability performance and progress toward its goals, and to convey its recommendations to the Board of Directors as necessary. The 15-member Sustainability Committee met three times in 2025 and submitted reports to the Board containing information about its activities and the results of its meetings held during the year.

4.6. Remuneration of the Board of Directors and Managers with Administrative Responsibility:

The principles of remuneration of Board members and senior executives have been documented in writing and submitted to the shareholders as a separate item at the General Shareholders' Meeting held in 2021.

A remuneration policy prepared for this purpose can be found on Company's web site. Stock options or performance-based payments are not included in the remuneration package of the independent Board members.

The Company does not lend any funds or extend any credits to a member of the Board or to senior executives, or grant any personal loans through a third party, or extend any guarantees.

The executives have the required professional qualifications to perform the assigned duties and comply with the legislation, Articles of Association, and in-house regulations and policies in fulfilling their duties.

There have been no cases where the executives used confidential and non-public Company information in favor of themselves or others. There are no executives who accepted a gift or favor directly or indirectly related to the Company's affairs, and provided unfair advantage.

In addition, the orientation process for newly appointed managers has been determined in writing in the personnel regulations.

Rating Definitions

Rating	Definition
9 - 10	The company performs **very good** in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified and actively managed all significant corporate governance risks through comprehensive internal controls and management systems. The company's performance is considered to represent best practice, and it had almost no deficiencies in any of the areas rated. Deserved to be included in the BIST Corporate Governance Index on the highest level.
7 - 8	The company performs **good** in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified all its material corporate governance risks and is actively managing the majority of them through internal controls and management systems. During the rating process, minor deficiencies were found in one or two of the areas rated. Deserved to be included in the BIST Corporate Governance Index.
6	The company performs **fair** in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified the majority of its material corporate governance risks and is beginning to actively manage them. Deserved to be included in the BIST Corporate Governance Index and management accountability is considered in accordance with national standards but may be lagging behind international best practice. During the ratings process, minor deficiencies were identified in more than two of the areas rated.
4 - 5	The company performs **weakly** as a result of poor corporate governance policies and practices. The company has, to varying degrees, identified its minimum obligations but does not demonstrate an effective, integrated system of controls for managing related risks. Assurance mechanisms are weak. The rating has identified significant deficiencies in a number (but not the majority) of areas rated.
<4	The company performs **very weakly** and its corporate governance policies and practices are overall very poor. The company shows limited awareness of corporate governance risks, and internal controls are almost non-existent. Significant deficiencies are apparent in the majority of areas rated and have led to significant material loss and investor concern.

DISCLAIMER

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This report, conducted by SAHA A.Ş. analysts and based on their best intentions, knowledge base and experience, is the product of an in depth study of the available information which is believed to be correct as of this date. It is a final opinion about the degree of sensitivity of a bank to its shareholders' and stakeholders' rights, its commitment to public disclosure and transparency, and conduct and credibility of its Board of Directors.

The contents of this report and the final corporate governance rating should be interpreted neither as an offer, solicitation or advice to buy, sell or hold securities of any banks referred to in this report nor as a judgment about the suitability of that security to the conditions and preferences of investors. SAHA A.Ş. makes no warranty, regarding the accuracy, completeness, or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes.

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