





UNITED NATIONS GLOBAL COMPACT

COMMUCICATION ON PROGRESS (COP)

2007-2009

ELVIN TEXTILE

Elvin Textile was established in 1959 by Ahmet Cenan Sönmez. First years company was producing top wear fabrics for women. In 1975 production shifted from the workshop to modern factory standards. Elvin is the first company producing fancy tulle in Turkey and it has produced curtain fabrics for 22 years. Elvin has exported 80% of its products to Europian countries, Middleeast, Fareast and ABD since 1982.

Elvin has a solid history in curtain design and production. The chief object of Elvin is to present elegant and creative designs to customers by combining comfort and smartness in decoration and provide customer satisfaction by increasing confidence to company. Elvin Textile has three brands; Elvin, Chanan Designs and Elvin Kids.







Elvin Textile received ISO 9001 Quality Certificate in 1999. In 2007, Elvin proved its success with 'EFQM Local Quality Success Award' and after that in 2008, Elvin received 'EFQM Recognised for excellence 4 star'. In 2008, Elvin also carried off "Red Dot Design Award" which is the most prestigious design award in the world and has beed never carried of by a Turkish company before.

ELVIN TEXTILE

OUR VISION

"To become a big and strong family that differentiate places with inapproachable products and identify the decoration of the 22^{th} century "

OUR MISSION

"Our mission is to aim at customer and employee satisfaction, be sensitive to people and environment and provide innovative, high-quality product and service "

OUR VALUES

- Honesty
- Respect to people and environment
- Customer satisfaction
- Constractive cooperation
- Struggle for perfection
- Attaching importance to science

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



As a company aware of its social and environmental responsibilities, we conduct our projects in line with our 'People First' approach. Elvin is a 50 year-old company that has been respectful to human rights, environmentally-conscious, committed to employee's rights and safety and honest since its inception.

We are not only responsible for our country but also for our world and we know that we can progress only with the progress achieved by the society we live in. To do this; we think that all of us must fullfil his or her social and environmetal responsibilities in both inside and outside of the company. It is the only way of leaving a better world behind to our children which are our future.

Elvin Textile signed The United Nations of Global Compact Aggrement in 2007 as an evidence of setting high value and support on the issues mensioned in Global Compact. The ten basic principles of Global Compact are our guidelines for sustainable development of our business. We have undertaken to share globally all our projects and efforts related to Global Compact Principles and to lead our employees, suppliers and shareholders in adopting the principles of Global Compact.

United Nations of Global Compact is a leadership platform in which sustainable development methods and experiences are announced. It offers a unique strategic platform for participants to advance their communication with other shareholders and supply new business relations between them. As an evidence of our transparent management principle, we undertake to share globally our projects and efforts with public union and shareholders from our web site from now on. By sharing our projects and effort, we aim to go ahead to be a brand by providing assurance and dignity and to exemplify to shareholders.

As we have so far always done, we commit ourselves to continuing to perform our social and environmental responsibilities and to work in order to spread Global Compact approach abroad.

Canan Sönmez Canik Chairman of the Board of Directors

MESSAGE FROM THE CEO&MEMBER OF THE BOARD

Elvin has been a pioneer company in curtain production with its designs since 22 years and it presents the creativeness of Turkish textile all around the world. We at Elvin Textile aim to be the leader in the fancy tulle production in textile sector. For this purpose, we seek to develop its quality, business processes and employees day by day. Today, Elvin exports 80% of its products to Europian countries, Middleeast, Fareast and ABD.

We at Elvin Textile are also very sensivite about our social and environmental responsibilities. We believe that all of us must fulfil our own responsibilities, we can only shape the future sustainably by working together.

We think that protection of the human rights and environment and promotion of a higher level of awareness about these two subjects are our duty to both our country and the planet. All of us must fullfil his or her responsibilities. We signed The United Nations of Global Compact Aggrement in 2007 which is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.



This report which is our Communication On Progress is composed of what we have done over the past two years to make and steadily improve our contribution to global sustainable development related to Global Compact Principles. You can find more information on our website and you are, of course, always welcome to contact us directly.

We commit that we will carry on implementing the ten principles of Global Compact and undertake to make a clear statement of this commitment - both to our employees, partners and to the public, as we have so far always done.

Osman Nuri Canik CEO & Member of The Board

İlke 1 : Business should support and respect the protection of internationally proclimed human rights; and

İlke 2 : Make sure that they are not complicit in human rights abuse.

Elvin Textile believe that human rights are universal and belong to everyone equally. We committed to upholding UN Universal Decleration of Human Rights. Human rights demand human responsibilities. To bring the Universal Declaration to life, each of us must work to uphold human rights and oppose human wrongs.

Our principle on that point has been declared to our employees, customers and suppliers aware of social responsibilities and protecting human rights. Elvin Textile Social Responsibility Policy

"By taking into accounts society's expectations, we aim to be an environmentallyconscious and law-abiding company, and give support to health and education together with or without non-governmental organizations.

Elvin Textile has taken a course of action 'People First' approach since its inception. Believing that making an investment to people is resulted in an investment to future, Elvin organize culture, art, sport and recreational activities in order to increase employee's satisfaction and contribute personal and social development.

Facilities for Employees-Cookout&Dinner Organizations

Elvin organize cookout and dinner every year for employees and their families to improve communication between employees and management and strengthen the concept, Happy family, mentioned in our vision.





Facilities for Employees-Culture&Art



Elvin encourage employees to participate in making music. Elvin Turkish Folk Music Choir was established in 2008 and gave their first concert in Bursa in the same year. To contribute personel development and encourage employees to busy themselves with cultural and artistic activities in their spare time, we at Elvin Textile always support these activities.



Facilities for Employees-Sport





To create a team spirit and strengthen communication between our employees, Elvin organizes football and volleyball tournaments each year and encourages employees to participate in sport activities.

Facilities for Employees-Sport



Preserving the heritage in addition to natural resources is our duty. Elvin sponsor wrestling organizations done in Çalı every year in order to make wrestling, forefather sport, continuing and embolden our employees and their families to wrestling.

Facilities for Employees-Baby farm



An evidence of the value attached to our employees, a baby farm was build in 1999 in order to reduce the financial effort of our employee's and improve employee's satisfaction, although it is not a legal necessity. Early childhood education is given to our employee's children between 0-6 years old without any payment. It does not matter what the duty of the employee, each employee's child has the same rights in babayfarm.

Facilities for Employees-Baby farm



Elvin Textile is aware of the importance of the women's participation in business life and always perform its responsibilities for this purpose. Most of our woman employees can continue working thanks to our baby farm. Together with our female employees, our male employee's children whose mothers employed can also go baby farm. Thanks to this, we aim to encourage our male employee's wives to work.

Facilities for Employees-Health

Health has been an area of priority for Elvin Textile. An evidence of the value attached to employee's health, a doctor and a nurse work three days a week and six days a week respectively in our factory.

SANITARY SERVICES	PERIOF OF IMPLEMENTATION
First aid	Continuous
Examination and expedition	1/6 month
Sanitary inspection (Sight test, Respiration test, etc.)	1/ year
Audition of employees must be controlled regularly	1/ year
Employees work in dining hall and tea-house must be examined regularly	1/6 month
Protective materials (working clothes, mask, glove)	Continuous
Training (Occupational safety, fire, hygiene)	Depends on the course of education
Vaccine (Hepatitis, tetanus)	1/ year

Facilities for Employees-Training

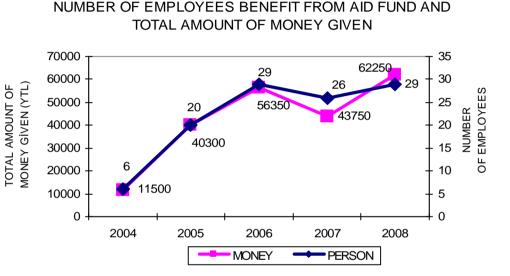
To enhance employees skills and capability, and assist in personal developmant, Elvin organize educational and instructive trainings.





Facilities for Employees-Aid funds

Elvin value its employees and always provides support to its employees in case of illness or any other necessaries. For example; Elvin covers the cost of treatment of two employees having last illness in 2007.

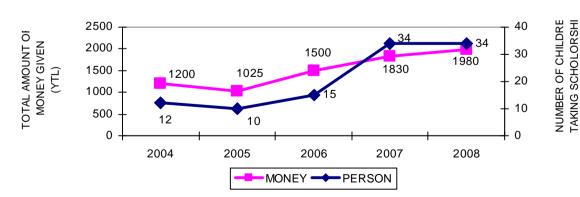


Thanks to this behaviour, Elvin creates the awareness of the volunterism among employees. Its employees launched a fund in 2004 in order to supply the needs of colleague in a fix. It is exactly a voluntary work. In case of the state of demand (illness, natural disaster, etc.), non-repayable aid is provided to employees. As an example; one of our employee having a baby with Down's Sendrome benefit from this fund. Besides, employees can borrow money free of interest when they are in urgent need of money.

Facilities for Employees-Scholorship System

We believe that making investment to children's education is essentially making investment to the future, since the children is our future. Providing education to children not only improves their academic success, but also reduces crime and increases workforce productivity.

We have given the scholorship for our employee's children educated at university since 2004. Besides, scholorship has been given by employee's children educated at high school since 2007.



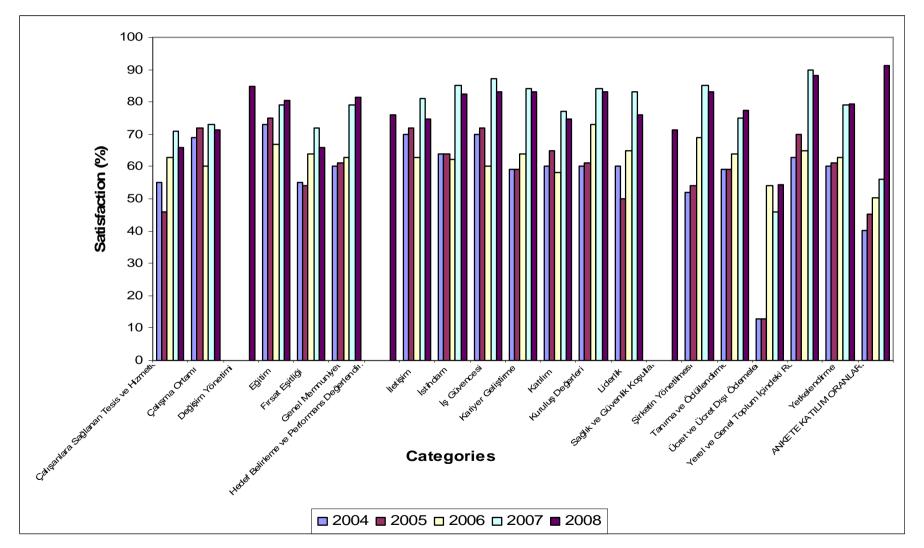
NUMBER OF CHILDREN BENEFIT FROM SCHOLORSHIP AND THE TOTAL AMOUNT OF MONEY GIVEN

Employee Satisfaction

To increase employee's satisfaction and confidence, we have conducted a survey in order to determine and meet employee's expectations since 2000. Employees do not have to write their personal information on survey form. The survey is divided into 7 principal parts and composed of 57 questions.

CATEGORIES	NUMBER OF QUESTIONS	
General Management	7	
Corporate culture	8	
Job guarantee and wage	4	
Devotion to corporation	8	
Communication	12	
The role of top management	9	
The role of middle management	9	

Level of employee satisfaction versus time is given below.



Suggestion System

Elvin aims to supply happy, healty and comfortable work environment in order to enhance employee's satisfaction and thus productivity. We are always committed to employee's ideas. To supply employees incorporation to work processes and increase their satisfaction, 'Suggestion System' is used.

Suggestion system offers an efficient way to get ideas, comments and suggestions of our employees on how to improve our company's services and what are the concerns about procedural violation, potential environment and regulatory issue or a possibly fraudulent activity.

'Suggestion Box' can be used to forward an idea that could contribute towards our company's business success. Our employees make a suggestion by using both intranet and boxes that can only be unlocked by the general manager. General administration rates these offers and give cash prizes to employees making suggestions in order to encourage other employees to give suggestions.

SUGGESTION OWNERS	DEPARTMENT	SUGGESTION	RESULT	SCORING
Adem Yılmaz	Weaving	Reeds can be used by reversing and scrubing respectively	The useful life of reeds doubled	100
Ö.Tuluk, C.Özlü, N.Önkür, B.Aybey	Sewing workshop	The point of the beads sticked to the fabric can be determined by notation with light instead of hands.	Production rate increases of %50	80

'Suggestion Box' can also be used to express a concern about a procedural violation, a potential environmental or regulatory issue or a possibly fraudulent activity. This box can only only be unlocked by the general manager and the complaints are kept secret. These complaints are evaluated by the general administarion and necessary improvements are done.

Occupational Safety and Health

The safety of employees in the workplace is a key element of the company objectives. The primary task of the factory safety team is to monitor laws and regulations about worker healt and job security and ensure that the health and safety of employees is protected and maintained.



Ensuring the healt, safety and welfare of our employees is a priority across all our business units. In 2009, 'Security Risk Analysis' was done by Proser Alarm&Security Technologies in order to determine riskiness areas resulted in accident, personal injury, etc. and to prevent work accidents. Elvin safety team make regular meetings and controls in order to meet all relevent global labour and safety standards.

CATEGORIES	PERIOF OF IMPLEMENTATION	
Grounding	1/ year	
Chemical analysis of water	1/3 month	
Bacteriological analysis of water	1/6 month	
Noise measurement	1/6 month	
Burner control	1/ year	
Elevator control	1/3 month	
Training	1/6 month	
Fire extinguisher control	1/3 month	

Check List of Occupational Safety and Health

Privacy policy

Preserving customer's and employee's privacy, keeping customer's and employee's personal information safe and usage of these information only for the purpose mentioned before is one of the most important principle of Elvin Textile.

All personal and customer information given to Elvin Textile is strictly confidential and will not be shared with 3rd parties. They can only be shared with the legally authorized persons in case of necessity.

LABOUR

Principle 3 : Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4 : the elimination of all forms of forced and compulsory labour

Principle 5 : the effective abolition of child labor

Principle 6 : the elimination of discrimination in respect of employment and occupation

Elvin Textile is against forced labor, compulsary labor, child labor, child and women exploitation and discrimination in repect of employment and occupation. Elvin is very sensitive about these topics and never tolerate such abuses. We have never practice any violation related to forced labor, compulsary labor, child labor, child and women exploitation and discrimination in repect of employment and occupation directly or indirectly before.



Elvin Textile Human Resources Policy

"To employ honest persons and manage them by equality of opportunity principle, supply their improvement by bucking them up to team spirit and being participant in accordance with the value of Elvin family.

According to Elvin Textile recruitment policy, Elvin is ensuring nondiscrimination with regard to religion, national origin, ethnic group, gender, age, marital, university or school graduated. Our recruitment policies are transparent and clear. As an example, a Japanese was engaged in 2007 in Product Development Department. She is still working in Elvin textile.



Every employee has a contract composed of the terms and conditions, the job description and the wages. They start working after they sign the contract.

Elvin employees are given equal opportunities for personal and career development. 77 percent of managerial staff and 56 percent of master workmen was promoted via career development sysytem applied in Elvin Textile.

Every employee can throw up a frost whenever they want. All forms of forced and compulsory labor are unacceptable in our factory. There has never exists forced or compulsary labor in Elvin textile since its inception.

LABOUR

Elvin is against child labor and does not tolerate any kind of child labor. To avoid child labor, Elvin provides support to employee's children and other children in need for education.

Elvin give scholorship for our employee's children educated at university and high school. We provided support for education to the primary school build by Rotary Club and with the support of Elvin three classes were set up. Besides, we provided support for education to Bursa Education Foundation School in 2007. In the same year, we launched a joint project with Uludağ University and provided support to university students.

Elvin avoids to work with companies which uses child labor. Our principle on those points has been declared to our employees, shareholders and customers.

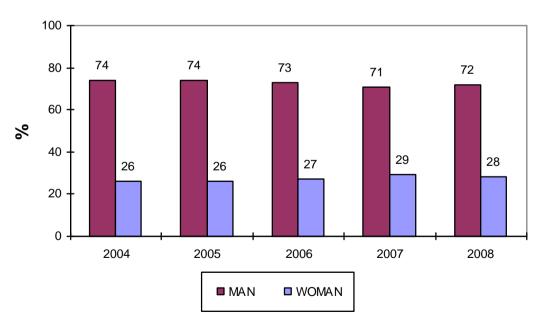


In our company, the minimum age of the workers is 18 years old as shown in the below table.

	YEARS		
AGES	2006	2007	2008
Less than 18 years old	0	0	0
18-25 years old	22	26	24
26-30 years old	44	53	35
31-35 years old	57	59	52
36-40 years old	54	57	58
41-45 years old	39	41	42
46-50 years old	18	20	30
Above 50 years old	8	6	9
TOTAL	242	262	250

LABOUR

Elvin is ensuring non-discrimination. All employees are free from discrimination with respect to gender, age, marital, etc. As shown below, women represent 25 percent of Elvin employees. We aim at increasing the number of woman employees since we believe that woman enpowerment is vital for future generations and sustainable development.



MEN-WOMEN RATIOS

Principle 7 : Business should support a precautionary approach to environmental challenges

Principle 8 : Business should undertake initiatives to promote greater environmental responsibility

Principle 9 : Business should encourage the development and diffusion of Environmentally friendly technologies.

Owing to the technological progress, the amount of waste and environment pollution increases day by day. Elvin Textile fullfil its responsibilities related to the environment.

The priority in the selection of raw-materials and production processes in Elvin Textile are being human and evironment-friendly and reducing waste production. Our products are analysed by independent laboratories in order to show that they have no harm to human and environment. These reports are sent to our shareholder and customers.

Elvin Textile always work with suppliers admitting their responsibilities to environment. Besides, Elvin wants reports that shows that the supplier's products are human and enviroment-friendly. Elvin also adheres the rules at the time of the transportation of chemicals to our factory. All precautions are taken in order to avert liquid or gas emmision that may be harmful to human and environment.

Reduction of The Environmental Pollution-Recycling



Elvin textile knows that recycling is vital for our world and also our future.

To reduce paper consumption, employees are educated about the paper recyling. Waste papers are collected in recycling boxes located 11 different places in ur factory and these waste papers are sent to ÇEVKO.

Reduction of The Environmental Pollution-Recycling

- Package waste are kept in a special place and send to Er-Ka Paper-Package Company

- Cargo sachets are kept in a box to be saved for and send to the producer for recyling

- To increase data signalling rate and reduce paper consumption, studies on ERP was started.



Reduction of The Environmental Pollution-Waste Management

Elvin is aware of the damage of the solid waste to the environment and reduces the amount of solid waste year by year.

Type of waste	2006	2007	2008
Kartoon (kg)	112.250	107.640	97.520
Nylon (kg)	43.680	30.560	12.170
Broken (kg)	94.180	80.420	26.500

Waste oils used for machines are sent to recyling plants by putting up with related regulations.

In Elvin textile, solid wastes are kept in seperate areas and send for recycling to protect natural sources and reduce energy consumption.









Elvin take all precuations in preserving chemicals.

Chemicals are kept in wellventilated areas in order to protect human health and avert environment pollution. All precautions such as protective clothing are taken at the time of working with chemicals and hazardous elements in order to prevent occupational injuries and illnesses.

Chemical waste is delivered related to its chemical properties and regulations.



Reduction of The Environmental Pollution-Water, Emission and Dust Measurements

Protecting the human health and environment has been Elvin Textile's priority since its inception and Elvin always fulfill its responsibilities.

Althoughy Elvin's waste water has the same properties as domestic waste water, our waste water is sent to sewage treatment plant which is build under the leadhership of Elvin Textile in Çalı. Drinking and domestic water used in Elvin is also analysed every year. Water samples taken from every tap is analysed in Bursa Public Healt Laboratory. There has never seen any hazardous substance up to now.

Emission and dust analysis are also done by *ÇEDFEM* regularly. Elvin has never published for evading regulations related to environmental legislation.

Reduction of The Environmental Pollution - Dye-house

One of the most important factor in the implementation of a new technology in Elvin factory is whether the technology is environmentally friendly or not.

In Elvin dye-house, Termosol Dyeing Method, an environmentally friendly method, is used. This method reduces dye and chemical consumption, therefore reduces the amount of hazadous materials in waste water. In addition, natural gas is used instead of fuel oil, which reduces the environmental pollution and energy cost.

Preservation of the Natural Resources

Elvin Textile attaching importance to the protection of environment and natural resources take all precuations to protect natural sources and the environment, prevent water and soil pollution. In addition, Elvin advices employees of using environment-friendly products and reducing water, energy consumption and solid waste.

To wet the babies head and celebrate a wedding, Elvin donates tree to TEMA in behalf of the baby or the newly married couple.

In the event that we a wreath must be sent, Elvin donates money to Turkish Education Fund and send its wreath.

Preservation of the Natural Resources

We forests the areas approved by Nilufer Community every year.



YEARS	2004	2005	2006	2007	2008
Number of tree planted	70	150	50	130	63

Preservation of the Natural Resources

Elvin Textile take all precautions to reduce the usage of natural sources by reducing water and electricity consumption.

To benefit from sunlight as soon as possible and reduce electricity consumption, glass caps were fix on the cap of dye-house.



Preservation of the Natural Resources

We use photocell lighting in our toilets and corridors in order to reduce electricity consumption.



Photocell lighting

Environment-Friendly Technology



Our aim is the creation of value for the future! In 2006, Elvin started to work so as to produce a fabric reducing energy and water consumption in our daily world in which water and energy resources consumed day by day. After two year of consistent work, we started to manufacture GREEN GUARD that doesn't like to get washed in Elvin factory.

GREEN GUARD wipes out organic stains such as tea, wine and coffee and enhance air quality by reducing or eliminating polluted compounds in air such as CO and cigarette smoke under sun light or artificial light, without washing. Besides, it has antibacterial property. Thanks to this properties, you do not need to wash GREEN GUARD. It is our patented product.

Environment-Friendly Technology



Thanks to no washing requirement GREEN GUARD not only reduces water and energy consumption but also averts environmental pollution by reducing detergant and softener usage. Since no washing requirement, it also reduces the need for ironing and drying, and by the help of this property GREEN GUARD both reduces energy consumption and improves the quality of users life. Anyway, its name coming from this property. We call it Green Guard since it act as a guard of the green.

GREEN GUARD is an Environment and Human friendly formula. It does not contain any harmful component such as carcinogenic compounds and toxic heavy metals. The high-grade quality of GREEN GUARD has been certified by independent laboratories.

GREEN GUARD

"Curtain that doesn't like to get washed! "

Environment-Friendly Technology



GREEN GUARD is selected as one of the three 'Innovative Product' in Decosit Brussels Contract International Trade Fair in 2008. In the same year, GREEN GUARD carried off 'EDIDA 2008 Design Award' in fabrics category in Turkey.



Environment-Friendly Technology

Elvin Textile always attach importance for manufacturing environmentfriendly and recycled fabric. Since 2008, organic cotton fabrics have been manufacturing and sold.



Principle 10 : Business should work against corruption in all its forms, including extortation and bribery.

Elvin Textile has been against corruption in all forms including debit, extortion, bootlegging, deceit, bribery since its inception. We will not tolerate any kind of corruption in our personal life as well as in our business activities. We have never practice any violation related to corruption directly or indirectly before.

Our principle on this point has been declared to our employees, shareholders and customers. Our employees and suppliers must obey the law and avoid any activity that places Elvin in a difficult legal position or hurts its reputation. Besides, our emloyees are requested to report any violations in our factory and our suppliers. Elvin Textile is always aware of the importance of patent, registration, trademerk right and has registered its designs since 1995. Canan Sönmez Canik, our chairman of the board of directors, is a member of International Patent Union.

Elvin has been against imitating and imitative products and carried on legal war against imitating since its inception. We inform and educate our suppliers and shareholders about imitating and call them to show the necessary sensitivity to this issue. In case of imitating, we immediately stop working with these suppliers and shareholders, and put them on trail.

Preserving the privacy of customer's designs which effects transactions in our factory is one of the most important principle of Elvin Textile.