



A S T E R  
TEXTILE

SUSTAINABILITY  
REPORT  
2021-2022

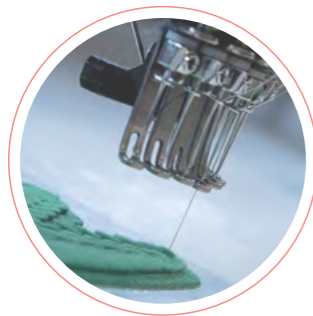


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**STEPS FOR A  
SUSTAINABLE FUTURE**  
WITH AN UNDERSTANDING OF  
THOUGHTFUL LIVING



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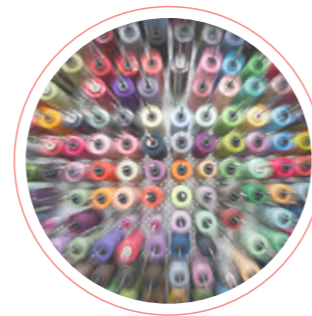
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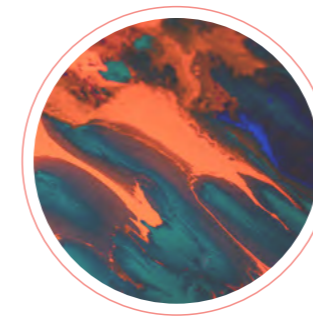
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## CONTACT



**WE ARE WORKING  
FOR A BETTER  
FUTURE**

Since the founding of our company, we have been investing in the future and making every effort to minimize our impact on the environment. Through an agile management approach and state-of-the-art technology solutions we maintain a strong partnership with our stakeholders and, from fabric to printing and embroidery and from certified products to digital design infrastructure, we offer services integrated with today's conditions across our operational processes. All our activities and every step we take are aligned with an awareness of our responsibilities towards our planet and its inhabitants. We will continue to offer value-added products to customers and to uphold our responsible production approach through our "Thoughtful Living" vision, a philosophy held from our first day of operation.







## ECO-FRIENDLY STEPS

41.87

HIGG FEM VERIFICATION  
SCORE IN 2021

61.82

HIGG FEM VERIFICATION  
SCORE IN 2022

We take a holistic approach to sustainability and consider all economic, social and environmental impacts. Each year we determine the roadmap for our long-term goals by completing the HIGG FEM Module. We halved our carbon emissions by switching to the use of I-REC Certified renewable energy in line with our targets. We launched rainwater storage and purification systems and finalized the approval process for the rooftop SPP project.





## STEPS INTEGRATED INTO DIGITAL

21%

PRE-PRODUCTION  
3D SAMPLE RATIO IN  
2021

37%

PRE-PRODUCTION  
3D SAMPLE RATIO IN  
2022

For many years we have upheld a trust-based partnership with all our stakeholders. As a result of this mutual trust, we accelerate decision-making processes and strengthen our collaborations. We invested in infrastructure and technology to raise operational efficiency for production across our operational processes. We completed our digital transformation process by focusing on priorities such as 3D product design and 3D fit and online product/fabric offering.





## CIRCULAR STEPS

17%

SUSTAINABLE MATERIAL USE RATIO IN 2021

50%

SUSTAINABLE MATERIAL USE RATIO IN 2022

We support the circular economy by using organic and recycled materials and continue our investments for a brighter future. We have made investments in the recovery of heat and water resources at the Artesa Fabric facility and switched to full automation in the use of paints and chemicals. With Aster Second Life®, we established trust-based collaborations locally and globally. We obtained the Regenerative Cotton Certificate, adding to our achievements.





## SUPPORTIVE STEPS

14

14 Hours / Person  
Total Training

8

8 Hours / Person  
Personal Development

We prioritize the professional and personal development of our colleagues with a particular emphasis on empowering female employees. We launched the Aster Academy to provide a more comprehensive approach to the orientation process of new graduate hires. As one of the first participants in the UNGC Target Gender Equality Program, we aim to reach out to all our female employees in 2023 with P.A.C.E, a three-year training program for blue-collar female employees.



## INTRODUCTION

ABOUT THE  
REPORT

**ASTER TEXTILE SUSTAINABILITY REPORT 2021-2022  
PRESENTS THE DATA FROM JANUARY 1, 2021, TO  
DECEMBER 31, 2022, AND THE ACTIVITIES CARRIED OUT  
IN THE YEARS 2021-2022 DURING OUR THOUGHTFUL  
LIVING JOURNEY.**

Aster Textile Sustainability Report 2021-2022 presents the data from January 1<sup>st</sup> 2021, to December 31<sup>st</sup> 2022, and the activities carried out in the years 2021-2022 during our Thoughtful Living journey. The report was prepared to fulfil the requirements of the new generation reporting approach of the Global Reporting Initiative (GRI), namely "GRI Standards: Universal" and industry standards.

Aster Textile became a signatory of the United Nations Global Compact (UNGC) in 2019. The UNGC Index at the end of the report shows where the activities carried out by Aster Textile in line with 10 global principles can be found.

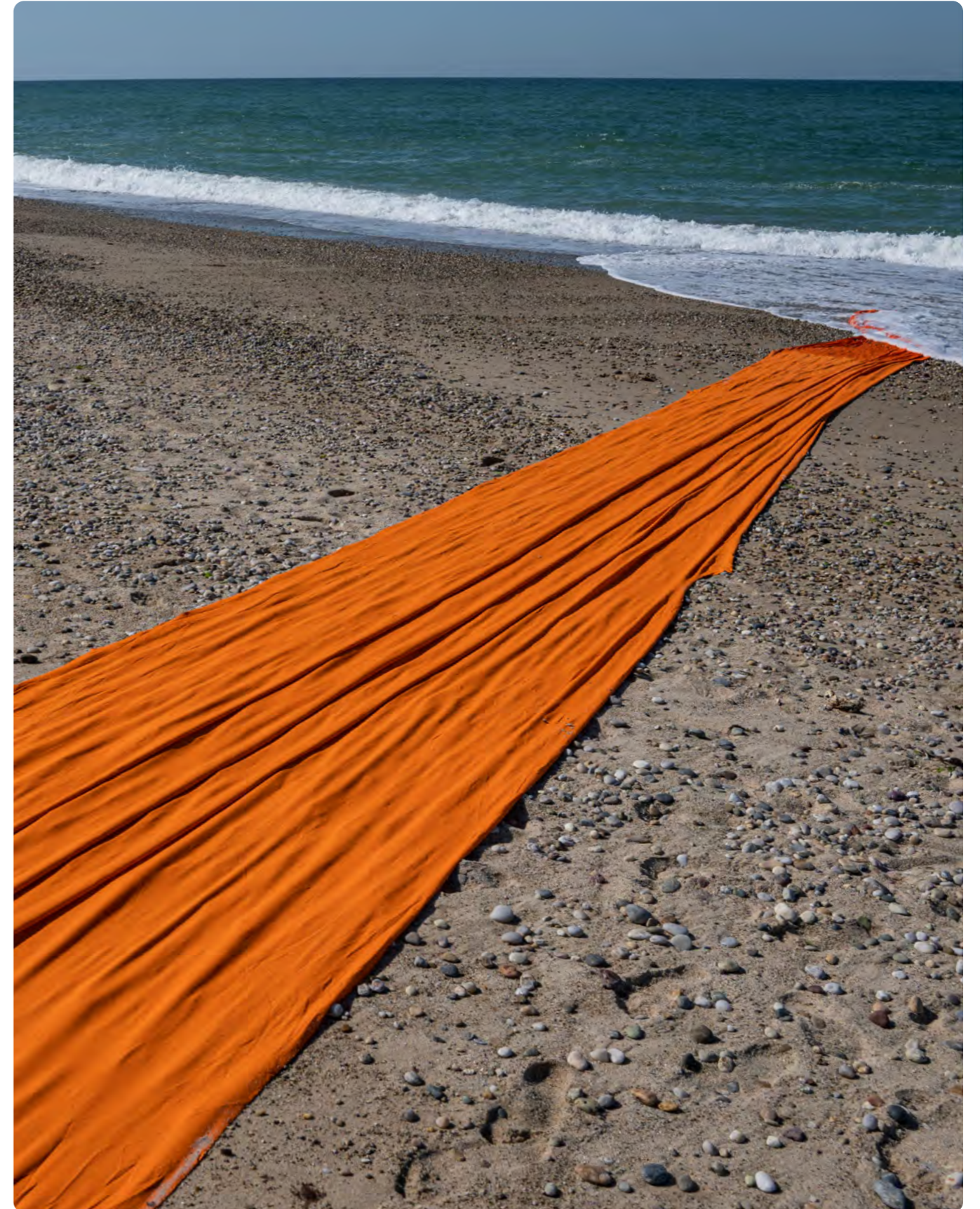
The Aster Textile Sustainability Report includes all the operations of Aster Textile carried out in Turkey, Serbia, and the United Kingdom. "Aster Group of Companies", "Aster Textile", "Aster", and "our Company" are used in the report to refer to all operations of Aster Textile carried out in Turkey, Serbia, and the United Kingdom.

All data related to the report has been brought together thanks to the contributions of the related departments of Aster Textile under the coordination of the Sustainability Department. The report was not subjected to external auditing.

The report focuses on issues that are regarded as important and of priority for Aster Textile and the company's stakeholders. An inclusive stakeholder participation process was adopted while determining Aster Textile's sustainability priorities. The details of this with regards to the process of determining priorities mentioned in the report are presented under the title of "Sustainability Priorities." The United Nations Global Compact and the United Nations Sustainable Development Goals (SDGs) were regarded as leading inputs for the report.

The Aster Textile Sustainability Report 2021-2022 was prepared in Turkish and English.

*We would be glad to hear your opinions and suggestions relating to our work on sustainability as well as on the content of this report. You can deliver your opinions and suggestions to us through [sustainability@astertextile.com](mailto:sustainability@astertextile.com).*





## INTRODUCTION

MESSAGE FROM THE CHAIRMAN AND  
GENERAL MANAGERWE ACT IN AWARENESS OF OUR RESPONSIBILITIES AS  
ONE OF TURKEY'S LARGEST READY-MADE CLOTHING  
EXPORTERS AND AS A COMPANY CONTINUOUSLY  
EXPANDING THE GLOBAL POWER OF ITS BRAND.

Esteemed Stakeholders,

As we leave the pandemic period, the changes triggered in all areas of our lives – including the environment, society, demographics and technology – accelerated the emergence of a new global order. In order for businesses to compete, it is essential to understand this new order in which lifestyles, demands and consumer behaviours are fundamentally transforming, and in which risks and opportunities are being redefined, and to address business models from a sustainability perspective. We also must collaborate with our ecosystem, stakeholders, employees and consumers to tackle the challenges that threaten our shared future.

At Aster, we act in awareness of our responsibilities as one of Turkey's largest ready-made clothing exporters and as a company continuously expanding the global power of its brand. We believe that our operations and sustainability are closely interrelated, and we place



*As one of the sector's first signatories to the UN Global Compact and Women's Empowerment Principles (WEPs), we take steps to ensure that women are empowered to participate in economic life in the areas where we operate.*

sustainability at the centre of our values and business strategies. We continue to minimize our environmental impact, maximize our social benefit, and increase the long-term economic value we generate. In this context, we collaborate effectively with our stakeholders to create a greater impact, attaching great importance to their involvement in our sustainability journey. In line with our responsibility to leave a better world for the future, we are pleased to share that, as detailed in the Report, we have successfully completed numerous projects during the last two years, all of which are a tremendous source of pride.

We continue to build on our "Thoughtful Living" vision, adopted to ensure that we are part of the solution in the textile industry – an industry with a global network of supply chains and a great social and environmental impact. As a leader in sustainable fashion design and production, we aim for excellence in the design-production-service model, in line with a flawless workflow, by

# 66%

growth

In 2022, we increased our net sales by 66% to EUR 160.5 million from EUR 96.9 million in 2021.

instilling a global perspective in our sector. We steadily increase our investments to improve our production capabilities and operational efficiency.

We continuously strive to improve our management systems in accordance with the principles of the circular economy and integrate the best sustainability practices into our production and supply chain. During the reporting period we carried out a number of pioneering activities to reduce our carbon footprint, produce less waste, increase our energy efficiency, and expand the scope of our water management efforts. We participated in the United Nations Global Compact - Climate Ambition Accelerator program and established strategies for our transition to net zero. In 2023, we aim to be among the signatories of the Science-Based Targets Initiative (SBTi). In addition to starting to meet the electricity consumption of all our production facilities from I-REC-certified renewable energy, we completed the approval processes for the installation of rooftop solar power plants (SPP). Through various trainings, events and scientific publications, we meet frequently with our colleagues, sector representatives and stakeholders to share the knowledge we have gained through Aster Second Life©, our project for transitioning to a circular business model.



In addition to our economic and environmental responsibilities, Aster strives to play an active role in providing solutions to social problems. As one of the sector's first signatories to the UN Global Compact and Women's Empowerment Principles (WEPs), we take steps to ensure that women are empowered to participate in economic life in the areas where we operate. In 2022, we participated in the United Nations Target Gender Equality (TGE) program, setting targets and conducting activities to develop our corporate policies and strategies in this context. We supported these efforts through gender equality awareness trainings developed for our employees. In addition, through the Aster Foundation, we continue to develop projects that make a difference in social development.

As a company that is constantly ascending on a model focused on creating value for people,

society and the environment, we will continue to expand our contribution to the building of a sustainable future. In line with this goal, I am extremely pleased to present our Sustainability Report. In this Report, we share our performance and achievements from 2021 and 2022, our strategy, and our future goals. I thank all our stakeholders for their tremendous efforts and contributions.

Best regards,

**İsmail KOÇALI**  
Chairman and General Manager



INTRODUCTION

MESSAGE FROM THE CHIEF MARKETING AND STRATEGY OFFICER

WE SEE SUSTAINABILITY NOT AS A PASSING TREND BUT AS A FUNDAMENTAL PILLAR IN TACKLING OUR DEEPENING ENVIRONMENTAL, SOCIAL AND ECONOMIC CHALLENGES.

Esteemed Stakeholders,

In our current era, the concept of sustainability is completely shaping the future. Working to be a pioneer of change in its field of activity, Aster is successfully integrating sustainability opportunities and risks into the Company's business strategies. By combining a global vision and an agile management approach with the values from which we draw our strength, we demonstrate a strong performance across economic, environmental, social, and corporate governance areas, armed with our flexibility and capacity to rapidly adapt to change.

By offering an integrated service alongside our wide product range, we are deepening the relationship with our customers, with whom we are solution partners on a global scale. We raised our production capacity and operational efficiency and enhanced our service competencies through infrastructure and technology investments focused on strengthening our vertical integration. Even in this period of historically high levels of risk, our broad customer portfolio, crisis management skills and rich product diversity enabled



*In 2022, we participated in the United Nations Global Compact - Climate Ambition Accelerator program in line with our roadmap for the transition to net zero. As part of the program, we completed a five-month training to set our medium and long-term emission reduction targets within the scope of the Science Based Targets Initiative (SBTi).*

us to move forward in line with our sustainable growth target, while gaining significant momentum in our revenues and profitability compared to previous years.

We see sustainability not as a passing trend, but as a fundamental pillar upon which we must rely in tackling ever-deepening environmental, social and economic challenges. We observe that consumers' purchasing preferences have been shifting towards high-quality, durable and eco-friendly products: That this shift is in accordance with our "Thoughtful Living" vision makes us happy and hopeful in terms of our future projects.

In line with this vision, we continue our steady investments. While investing in machinery, facilities and infrastructure, we prioritize technologies that ensure energy efficiency and heat and water recovery, as well as artificial intelligence systems or full automation systems that support the efficient use of resources. Through our development activities, accelerated since 2019, we have raised our competencies and capacities in areas such as 3D product design, 3D dye revision, digital fabric and product presentation by digitalizing all pre-production development processes from design to sample. By the end of 2022, we stood out against the

sectoral competition in this field, increasing our 3D sample ratio to 37%.

Again, in this period, we have adapted innovative materials and novel techniques that have a smaller environmental footprint. As part of our industry-unique Aster Second Life Movement circular business model, we increased our fabric variety and quality by utilizing our own cutting waste via focusing on R&D studies with our strong local and international collaborators. In 2022, we added the Regenerative Cotton certificate to our existing organic and recycled certificates.

During the last two years, in addition to enriching our portfolio with sustainable products, we continued to reduce the environmental impact of our processes and operations across our entire value chain. By switching to the use of I-REC-certified renewable energy in our production locations, we cut our Scope-2 emissions to zero and halved our total carbon emissions. We also put rainwater storage and wastewater recovery systems into operation in our factories. We have started our own renewable energy investments and reached the final stage in our rooftop SPP project, which we plan to launch in 2023. In addition, we prioritized the elimination of disposable plastics both within the Company and in our daily lives. We continuously organize trainings and communication campaigns to raise awareness on this issue in our spheres of influence and encourage our volunteer teams to develop projects.

In 2022, we participated in the United Nations Global Compact - Climate Ambition Accelerator program, in line with our roadmap for the transition to net zero. As part of the Program, we completed a five-month training to set our medium and long-term emission reduction targets within the scope of the Science Based Targets Initiative (SBTi). Our goal is to fast-



track the roadmap development process, which normally takes 48 months, and sign the SBTi commitment letter in 2023.

We adopt data-based, verifiable, impartial and transparent measurement processes for systematically monitoring our environmental performance and identifying areas of improvement. Using the Higg FEM module, we aim to measure our performance in a manner that can be verified by third-party audit organizations and to continue to build up our long-term environmental goals.

At Aster, we have long endeavoured to eradicate gender-based inequalities in professional life and in society, and to raise awareness on this issue within the Organization, our stakeholder network, and the industry. In this context, we organize annual trainings for our employees on gender bias and gender-based violence. In cooperation with our customers, we participated in the P.A.C.E project, a three-year training program targeting personal and career development for blue-collar female employees.

We take care to create working environments that are inclusive, respectful of individual differences,

and conducive to the creativity and performance of our employees, who are the greatest force underlying our success. We develop dedicated training programs for our employees to sustain development throughout their career journey. Since 2021, we have conducted trainings within the Aster Academy that are designed to support both the personal and professional competencies of our colleagues. During this process, as we launched trainings for our internal coaches and trainers, we also enriched our online training modules and made them more easily accessible.

At Aster, we will continue to do what we do best with passion and care while further increasing the value we create for our stakeholders and expanding our brand's global recognition. In addition to the economic contribution we generate, we will continue to create solutions that improve our future and develop projects that create shared value for society. I owe a debt of gratitude to all our stakeholders, especially our employees, who accompany us on this everlasting journey.

Kind regards,

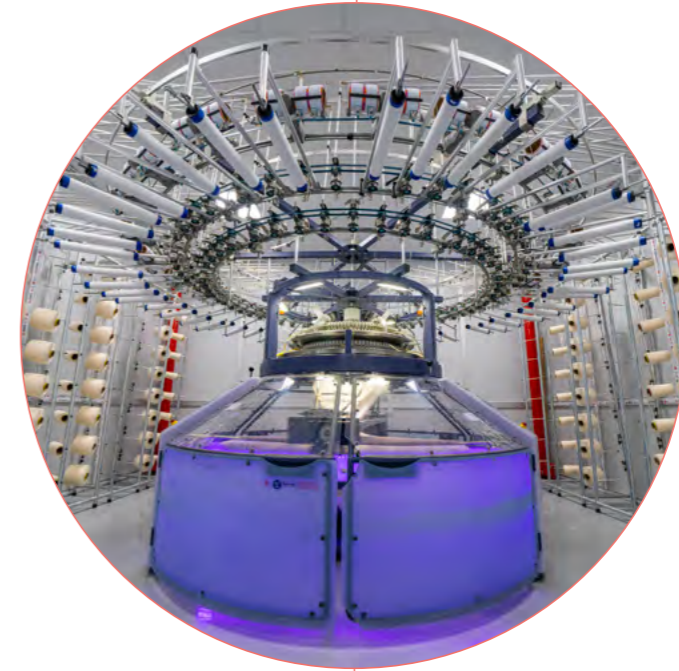
**Ali KOÇALI**  
Chief Marketing and Strategy Officer



INTRODUCTION

HIGHLIGHTS OF  
2021 AND 2022

**AS ASTER TEXTILE, STRIVING FOR A SUSTAINABLE FUTURE, WE WORKED AT FULL SPEED IN 2021 AND 2022 ON CRITICAL PROJECTS AND INVESTMENTS DESIGNED TO IMPROVE OUR ESG PERFORMANCE AND MOVE TOWARDS OUR GOALS.**



2021

- Aster Academy was launched. While training our internal coaches and trainers, we also enhanced the personal development and professional orientation training for new graduate hires with additional materials and a long-term approach.
- As part of the continuation of the Aster Second Life© project – a transformation of our business model from linear to circular via comprehensive process analyses – we published the knowledge and experience gained during this progression as scientific papers in symposiums, and organized awareness and information trainings in relevant university departments.
- We reduced our Scope-2 greenhouse gas emissions to zero by switching to the use of I-REC-certified renewable energy in all our factories.
- We received ISO 14001 certification for the Aster Headquarters location.
- We launched awareness trainings on gender equality for all our employees.
- Having completed its corporate identity transformation, Artesa expanded its knitting capacity with a total of 29 machines. The newly acquired Belleza Textile joined Artesa, increasing the Company's knitting capacity to 37 machines in total.
- The Artesa Fabrics Knitting Section relocated to a new building with an area of 12,361 m<sup>2</sup>.
- Fides Textile (Aster Nevşehir) joined Aster Textile.
- The second phase of the Tokat-Erbaa facility opened and has been integrated with the printing facility, expanding the capacity.
- We added three new production lines at our Istanbul Headquarters.
- We launched a rainwater storage system at the Tokat factory.

2022

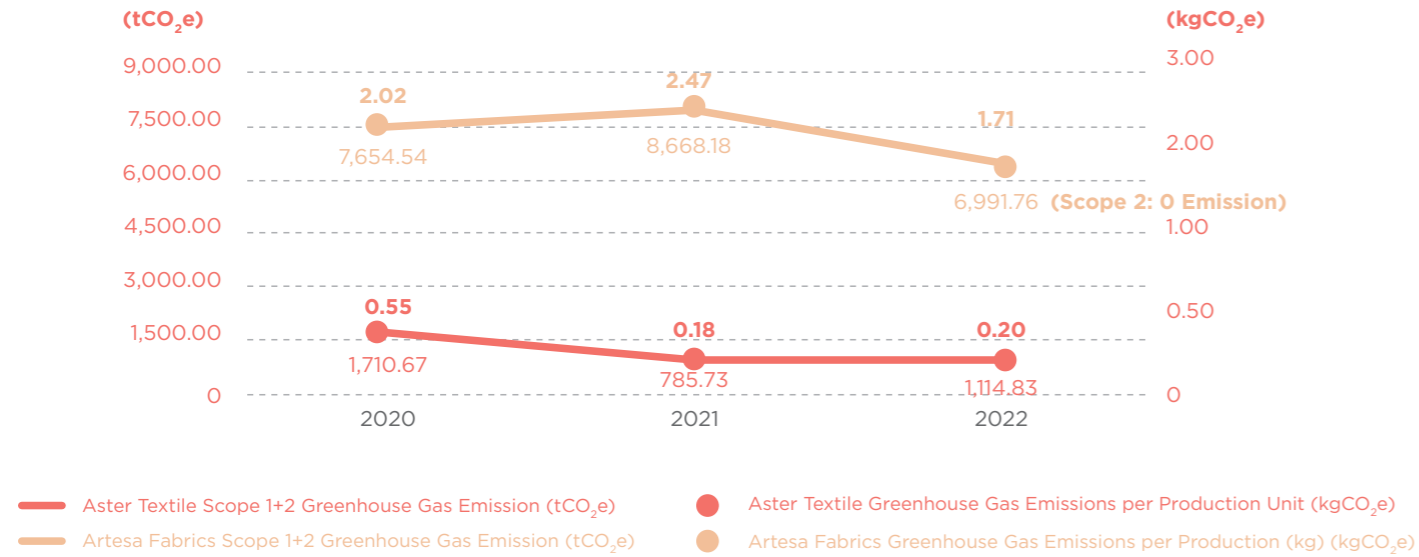
- By participating in the United Nations Global Compact - Climate Ambition Accelerator program, we received a five-month training to turn the Scope-1, Scope-2 and partial Scope-3 greenhouse gas emissions and reduction targets calculated within the Company into science-based targets within the scope of the SBTi.
- We finalized the approval process for the rooftop SPP project.
- Investments in the embroidery departments at the Tokat-Erbaa and Babaeski facilities were completed in accordance with in-house capacity development and the Company's vertical integration strategy.
- Artesa was transformed into a plant with a closed area of 37,960 m<sup>2</sup>. It now features a fully automated system for chemicals and dyestuffs, as well as powerful heat and water recovery solutions at various levels. A rainwater storage and purification system was also launched at the facility.
- With new facility and machinery investments in its dyeing departments, Artesa Fabrics, which specializes in the dyeing of high-performance functional synthetic fabrics, completed the necessary infrastructure for the dyeing of fabrics with natural fibres.
- Following machinery investments in its Knitting Section, Artesa Fabrics raised its monthly fabric production capacity to more than 550 tons by utilizing 71 knitting machines with varied technologies, including an error detection system that learns through artificial intelligence. Raschel knitting capacity increased.
- We added the Regenerative Cotton certificate to our existing organic and recycled fabric and product certifications.
- We completed certification under the Supplier to Zero - Foundation Level of Artesa ZDHC Roadmap to Zero Program and increased the ratio of ZDHC MRSL 3.0/GOTS compliant chemicals to 91.



INTRODUCTION

OUR STRONG SUSTAINABILITY PERFORMANCE

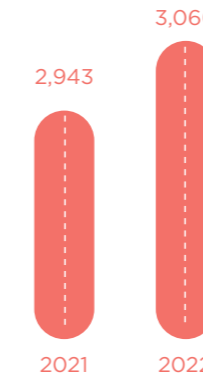
CARBON FOOTPRINT



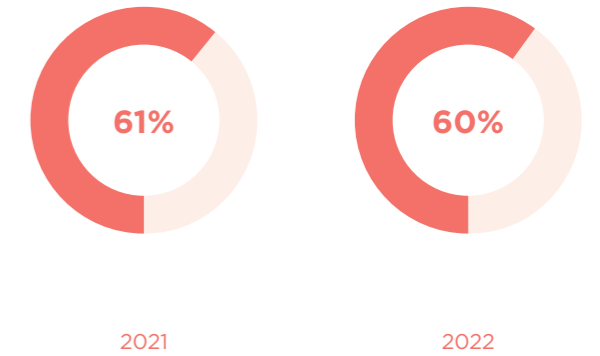
HUMAN CAPITAL

AS ASTER, WE SEE OUR MOST VALUABLE CAPITAL AS OUR EMPLOYEES.

Total Number of Employees

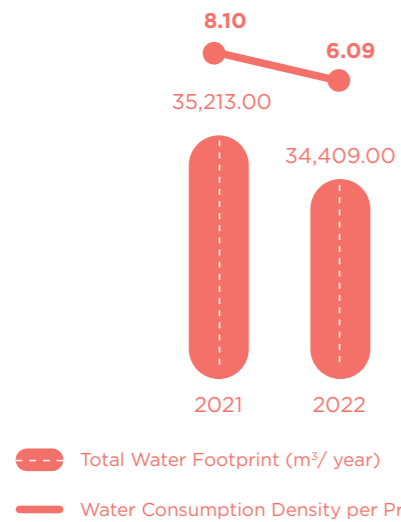


Ratio of Female Employees

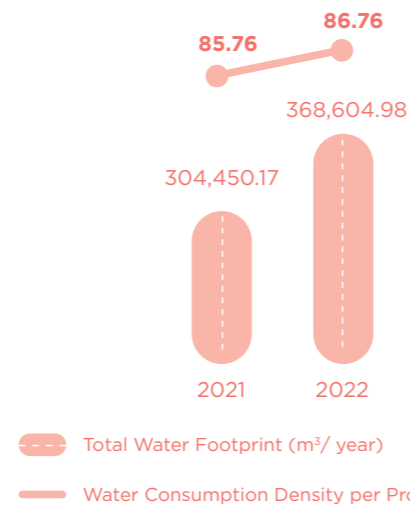


WATER FOOTPRINT

Aster Textile - Turkey. All Locations

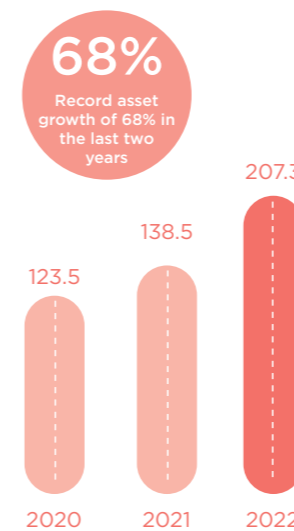


Artesa Fabrics

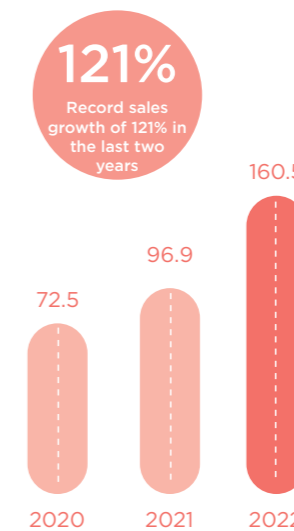


SUSTAINABLE GROWTH

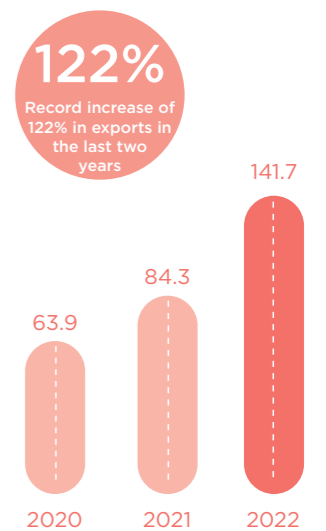
Total Assets (EUR Million)



Net Sales (EUR Million)



Total Exports (EUR Million)





ASTER AT A GLANCE

ABOUT  
ASTER

**TODAY, ASTER TEXTILE, ONE OF TURKEY'S TOP 10 TEXTILE EXPORTERS IN READY-MADE GARMENTS AND APPAREL, MAINTAINS ITS POSITION AS THE MARKET LEADER BY PRESERVING ITS CORE VALUES.**

Founded in 1988 as a family business in Istanbul, Aster has since become one of the world's leading textile manufacturers. Today, our Company ranks as one of Turkey's top 10 exporters of textiles and ready-made garments and has maintained its market leadership position by adhering to its core values.

With our international investments, including our operations in Turkey, the UK, Serbia, and Bangladesh, we are accelerating our sustainable growth day by day. We anticipate customer needs, develop in-demand products and solutions, and offer them to our customers with our highly experienced design and business development teams in Istanbul and London. Aster's entire business process, from initial design to delivery of products to client stores and warehouses, is managed by the Company's internal teams with meticulous attention to detail.

Headquartered in Istanbul, Aster Textile delivers creative, innovative, and high-quality products with a flexible service approach. We serve our customers throughout



*With our international investments, including our operations in Turkey, the UK, Serbia, and Bangladesh, we are accelerating our sustainable growth day by day.*

the world, with production facilities and business partners in the Far East and highly accomplished design and business development teams in the Istanbul and London offices. Working in the heart of global fashion culture, we closely track international fashion trends and innovations across various product categories.

In addition to its head office in Istanbul, Aster Textile operates facilities in Kırklareli-Babaeski, Tokat-Erbaa, Tekirdağ-Çerkezköy, Nevşehir, and Serbia-Niš on wholly owned enclosed areas totalling 134,515 m<sup>2</sup>. As a global clothing company, we provide our products – primarily knit and woven fabric clothing collections, and sportswear collections for women, men, and children – to over 20 international customers in 8 countries. In 2022, we commissioned the third phase of our Tokat-Erbaa facility and updated our integrated printing, embroidery, washing, and production capacities, increasing from 17,500 m<sup>2</sup> to 23,100 m<sup>2</sup> closed area.



*As a global clothing company, Artesa Fabrics provides its products – primarily knit and woven fabric clothing collections, and sportswear collections for women, men, and children – to over 20 international customers in 8 countries.*

With the machine investments made in the Knitting department, Artesa Fabrics increased its monthly fabric production capacity to over 550 tons with 71 knitting machines using many technologies, such as the error detection system which learns using artificial intelligence. With new plant and machinery investments in the dyeing departments, the necessary infrastructure for dyeing fabrics with natural fibres was completed.

Artesa Fabrics was transformed into a plant of 37,960 m<sup>2</sup> closed area with a fully automated system for both chemicals and dyestuffs, integrating powerful heat and water recovery solutions at different levels.

At Aster, we develop our strategies based on our social values, vision, and mission. The core components of Aster's corporate strategic framework include strong partnerships with current and new clients. Accordingly, we promote the dissemination of a

sustainability culture throughout the organization, retention of qualified human resources, and growth through innovative product groups as the sector leader in our Group companies.



ASTER AT A GLANCE

**OUR MISSION, VISION, AND SOCIAL VALUES**

**OUR MISSION**

To become one of the top five textile exporters in Turkey by offering products of high added value with flexibility, an entrepreneurial spirit, and an innovative approach, and without compromising our ethical values.

On this journey we endeavour to respect people, our planet and the lives of all and we remain dynamic and contemporary by continuously learning, teaching and changing. We contribute to our society by raising awareness about the world and our shared responsibilities.

**OUR VISION**

Together, we create contemporary and thoughtful fashion for you.

**OUR SOCIAL VALUES**

We respect the rights, differences and values of all our employees and the wider community.

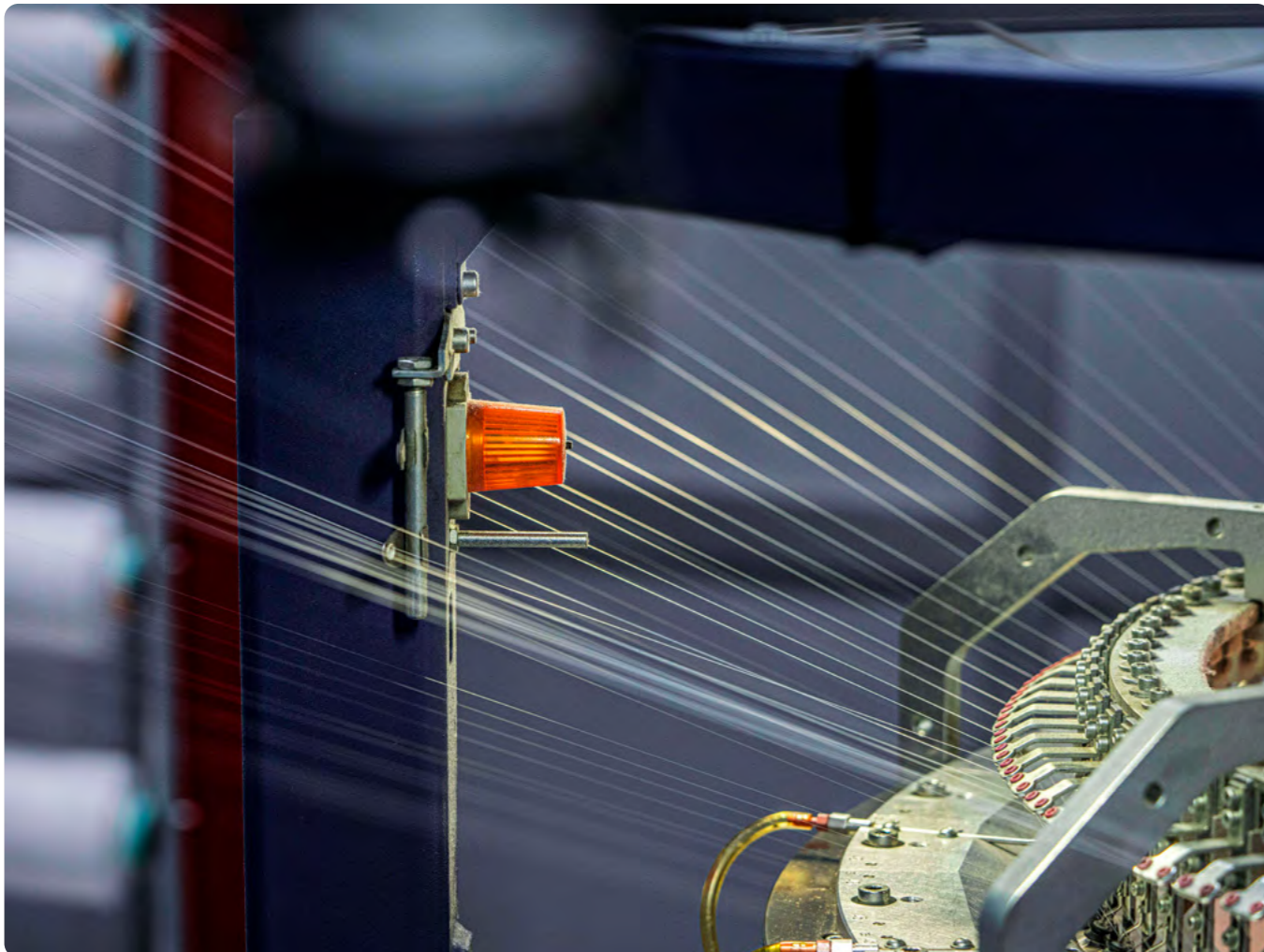
Through the Aster Foundation, we aim to bring about long-term improvements to the lives of our people and to the environment where they work. Committed to protecting the future of our planet, we undertake many efforts that are designed to raise awareness of global environmental issues. We put social responsibility at the centre of all our business operations as well as our relationships with the world beyond our company.



ASTER AT A GLANCE

## OUR SUBSIDIARIES AND AFFILIATES

AS ASTER TEXTILE, WE SPREAD OUR SUSTAINABILITY CULTURE TO THE FOUNDATION OF OUR GROUP COMPANIES.



### ARTESA KUMAŞ SAN. VE TİC. A.Ş.

Founded in 1990, Artesa is a leading textile company specializing in producing high-performance, functional synthetic fabrics.

Operating in Çerkezköy Organized Industrial Zone with its factory on 37,960 m<sup>2</sup> of land with a fully enclosed area, Artesa has a monthly average dyeing capacity of 550 tons, including 1 million meters of circular knitted fabric and 250,000 meters of warp knitted fabric. As of the end of 2022, the company had 331 employees.

Artesa's vision is to become a global fabric brand, providing innovative product solutions for the high-performance active sportswear, outerwear, swim, and shapewear markets. Artesa, therefore, aims to develop strategic partnerships with leading global active sportswear brands. Shaping its operations with the awareness of its environmental

responsibilities, the Company carries out serious activities with this understanding to use new technological equipment and systems that will support the minimization of the negative impact on the environment by reducing energy and water consumption. Using recycled synthetic fibres in most of its production, Artesa is highly experienced in the knitting, dyeing, and finishing stages of these sustainable materials.

Continuously improving its market position by offering a wide range of high quality and modern fabric collections thanks to its technical know-how and experience, Artesa's customers include Decathlon, Gymshark, Gym+Coffee, Sweaty Betty, Penti, NBB, Suwen, and Ayyıldız, as well as the brands such as Gant, Tommy Hilfiger, Esprit, M&S, Lacoste and The North Face.

Artesa has a monthly average dyeing capacity of 550 tons, including one million meters of circular knitted fabric, and 250,000 meters of warp-knitted fabric.



ASTER AT A GLANCE

OUR SUBSIDIARIES AND  
AFFILIATES

**ASTER GLOBAL OPERATES AS THE FOREIGN TRADE  
COMPANY OF ASTER TEXTILE GROUP IN TURKEY.**



**ASTER GLOBAL PAZARLAMA VE DIŞ TİCARET A.Ş.**

Aster Global Pazarlama ve Dis Ticaret A.Ş. was founded in 2010. The Company operates as the foreign trade company of Aster Textile Group in Turkey. With its 12 employees, Aster Global acts as an intermediary in selling products manufactured by Aster directly to foreign markets.



**ASTER TEXTILE  
D.O.O. NIŠ**

Founded in 2015 in Niš, Serbia, Aster Textile D.O.O. Niš manufactures knitted and woven garments from fabric and accessories imported from Aster Textile. The factory delivers finished goods to its warehouse or customers by transit trade. Aster Textile D.O.O. Niš manufactures t-shirts, sweatshirts, and trousers in knitted and woven collections for women, men, and children in its factory located on a 19,250 m<sup>2</sup> land.



ASTER AT A GLANCE

OUR SUBSIDIARIES AND AFFILIATES

**ASTER TEXTILE LONDON COLLABORATES WITH INTERNATIONALLY RECOGNIZED BRANDS, SUCH AS MARKS & SPENCER, TESCO, GYMSHARK, GYM+COFFEE, SANDRO, AND MAJE.**



**ASTER TEXTILE LONDON LIMITED**

Having been operating as a design and sales office in London since 2012, Aster Textile London Limited stands out in the sectoral competition with its product development solutions created by its experienced Design and Business Development teams in anticipation of customer needs and its geographical proximity to its customers in the European market. The Company collaborates with internationally recognized brands, such as Marks & Spencer, F&F, GymShark, Gym+Coffee, Sandro, and Maje.

To keep Aster offerings current and relevant, the London Business Development team closely monitors emerging fashion trends. All products designed in London are developed in our Istanbul HQ or by our business partners in Bangladesh, then presented to Aster Textile's global clients for selection.



**ASTER GIYİM ONLINE SATIŞ A.Ş.**

After nearly 35 years of experience in the industry, Aster Giyim Online Satış A.Ş. was established with the vision of being in direct contact with the end consumer. Aster plans to transfer the long-standing accumulation of its industry experience at the point of direct access to customers.

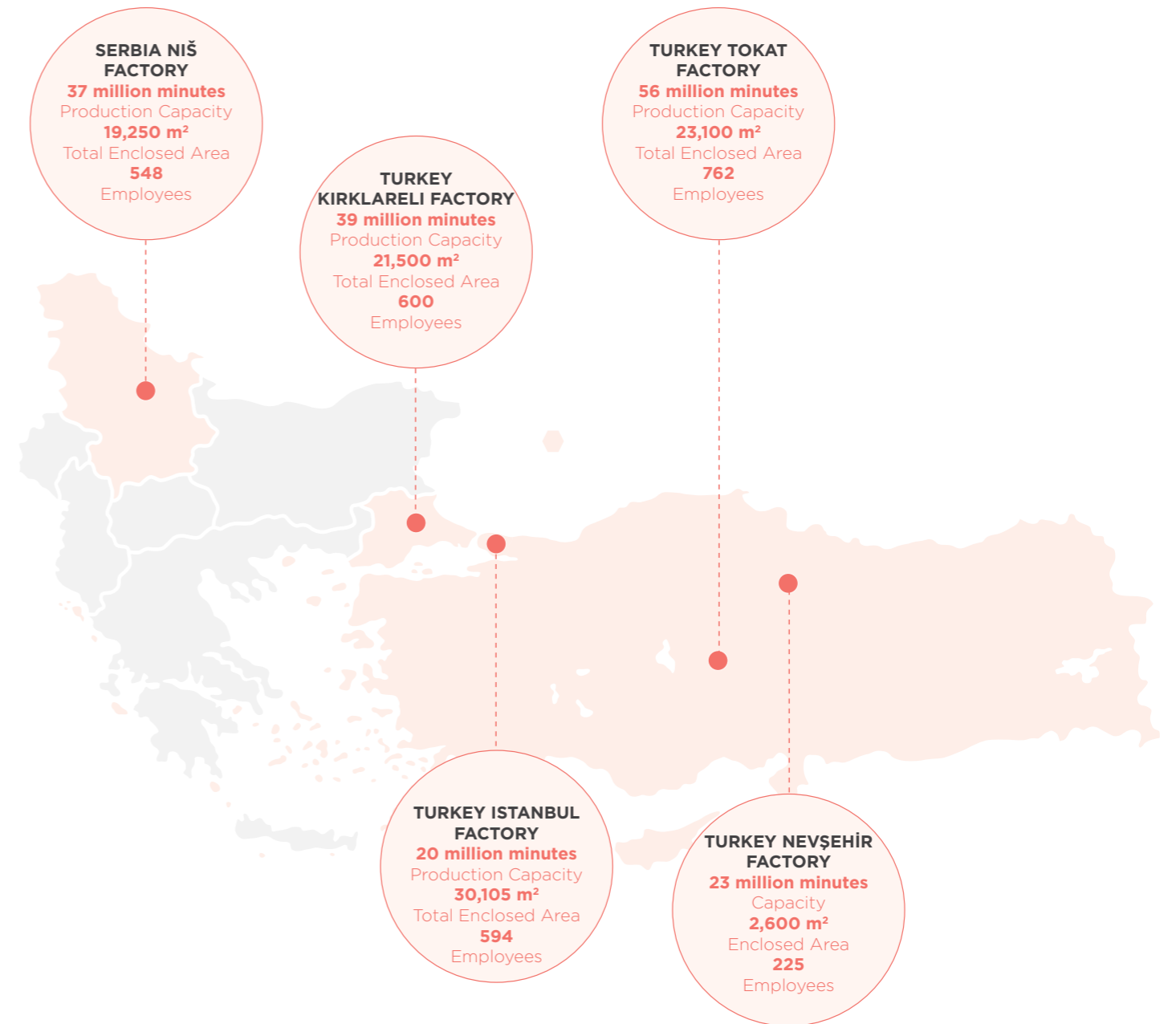


ASTER AT A GLANCE

OUR GEOGRAPHY OF ACTIVITY



STRONG NUMBERS

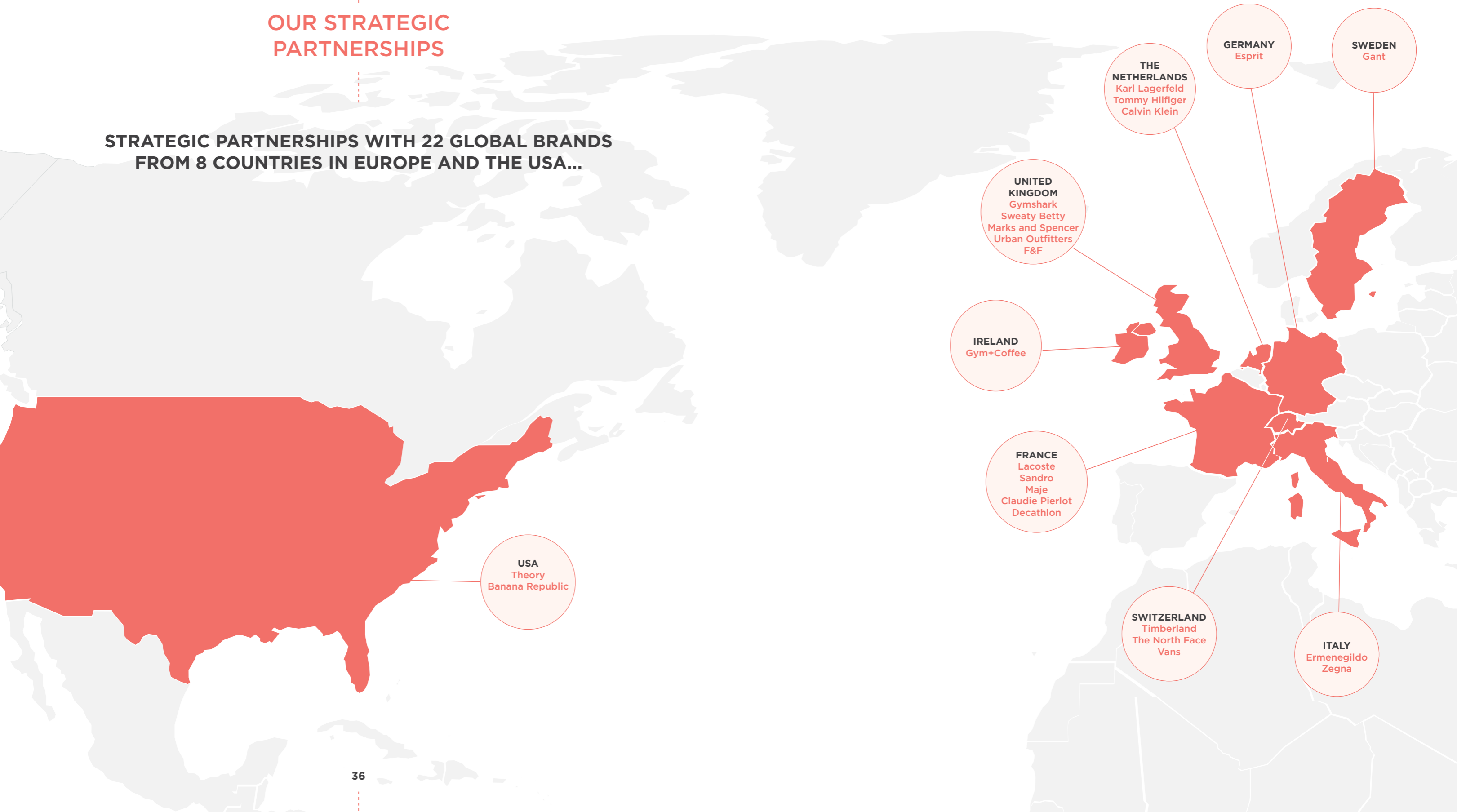




ASTER AT A GLANCE

OUR STRATEGIC PARTNERSHIPS

STRATEGIC PARTNERSHIPS WITH 22 GLOBAL BRANDS FROM 8 COUNTRIES IN EUROPE AND THE USA...





ASTER AT A GLANCE

OUR SUSTAINABILITY JOURNEY

IN 2022, ASTER TEXTILE STARTED THE NECESSARY WORK TO SIGN THE SCIENCE BASED TARGETS INITIATIVE (SBTi) COMMITMENT.

1988

- Aster Textile was founded in Istanbul Güngören with the vision of becoming a global textile manufacturer.

1997

- By relocating its facility to Avcılar, Aster expanded its production capacity and customer portfolio.

1998

- Aster launched its transformation in cooperation with the most successful global consultancy in the sector.



2000

- Aiming to achieve significant success, Aster Textile entered the European market, thus marking a long-planned strategic move into a major market.

2004

- Aster established an in-house design department and started to present its collections to clients.

2010

- The Kırklareli-Babaeski facility was set up to expand Aster's production capacity.

2012

- Aster Textile invested in the Tokat-Erbaa production facility.

2014

- Aster invested in its Esenyurt headquarters office building, a structure of significant architectural importance.

2016

- Aster Textile invested in its Serbia-Niš facility.

2017

- Aster received ISO 27001 Information Security Management System and ISO 9001 Quality Management System certifications.

2018

- Aster Textile established an in-house embroidery facility equipped with the latest in advanced technology.

2019

- Aster became a signatory of the United Nations Global Compact.
- Aster Textile became one of the first textile companies to sign the Women's Empowerment Principles (WEPs).
- The printing facility was established with an advanced technology infrastructure.
- Aster entered the technical and activewear product group with the acquisition of Yalçın Textile Dyeing and Finishing Company (now Artesa Fabrics).

2020

- Aster Textile was one of the first companies to participate in the "Target Gender Equality" program organized by the United Nations Global Compact.
- Aster Textile has invested in the Browzwear program and its teams in this area, in addition to the CLO 3D system it uses to digitalize its sample processes.
- Aster Textile launched the Aster Second Life© project to transition from a linear business model to a circular one. As part of the project, the Company established local and global collaborations, focused on R&D activities, and increased the quality and diversity of the fabrics obtained from its own cutting waste.

2021

- I-REC-certified renewable energy is now used in all factories.
- Aster Academy was launched.
- Printing and embroidery units were added to the Tokat- Erbaa factory, increasing its capacity. The rainwater storage system was launched.
- ISO 14001 Environmental Management System Certificate was obtained for the Aster Headquarters location.
- Fides Textile (now Aster Nevşehir) was acquired.

2022

- Aster Textile participated in the United Nations Global Compact - Climate Ambition Accelerator program and started to carry out the necessary work to sign the Science Based Targets Initiative (SBTi) commitment.
- With the investments made in the Knitting and Dyeing segments, Artesa has been transformed into a modern facility where a fully automated system for chemicals and dyestuffs is used, heat and water recovery solutions are integrated, and a rainwater storage and purification system installed.
- Aster Textile added the "Regenerative Cotton" certificate to its organic and recycled fabric and product certificates.
- The approval process for our rooftop SPP project was finalized.



ASTER AT A GLANCE

OUR AWARDS AND ACHIEVEMENTS

**ASTER TEXTILE RECEIVED MANY AWARDS AND ACHIEVED MANY SUCCESSES IN 2022 WITH THE PROJECTS AND APPLICATIONS IT DEVELOPED.**

**Sustainable Business Awards 2020**

“Aster Second Life Movement,” Aster’s project for transition to a circular business model implemented in order to give fabric waste a second life and analyse its processes, was selected as a finalist in both the “Sustainable Innovation” and “Waste Management” categories.

**Aydın University, Textile, Fashion, Art, and Design Symposium**

Aster published its circular business model transformation journey as an academic article. The article, “Transition to Circular Business Model Design: Specific Application in The Textile Sector” was presented in the “Sustainability” session of the symposium in November 2020.



**Third International Pearson Conference - October 2021**

Aster published its second article on the importance of regional cooperation in recycling. The article, “Recycling Application with Regional Cooperation for Garment Waste,” was presented at the Third International Pearson Conference in October 2021.

**Aster Panel Control System TechXtile Innovation League - Most Innovative Project Award**

The system, which was designed to completely digitize the process of placing the cut panels on the die and checking the dimensions before sorting, was launched in all our relevant locations after successfully completing prototypes and tests. This device, which provides nearly 75% improvement in productivity, eliminating the use of paper and cartridges, and minimizing error ratios, was awarded the “Most Innovative Project” award in the TechXtile Innovation league.



**SMED - Application in Exchange of Printing Die ICONTEX - 3. International Conference of Innovative Textiles - May 2022**

The flow study we developed to minimize the time required for die exchanges in screen printing machines resulted in a 54% improvement in machine downtime and a 32% increase in daily production. This development, based on the SMED (single minute exchange of dies) method, was presented at the ICONTEX congress and published in Coloration Technology in full text.

**Aster Design Depot - Aster Digital Design Library Clotech - 14<sup>th</sup> International Conference - September 2022**

We launched our innovative application, which contains the necessary visuals and information about Aster designs, and is accessible securely over the cloud by integrating into ERP, enables online collaboration with customers in the product development processes. We presented our paper on this work at the 14<sup>th</sup> International Clotech conference.

**Best Digital Transformation Project RDCONF - 2<sup>nd</sup> International Conference on Design, Research & Development - December 2022**

At the RDCONF 2022 R&D and Innovation Award Ceremony, we were awarded 2<sup>nd</sup> place in the field of “Best Digital Transformation Project” with our Paper and Time Saving Digital Measuring Tape project.



ASTER AT A GLANCE

OUR INTEGRATED MANAGEMENT SYSTEMS AND CERTIFICATES

ASTER TEXTILE, WHICH OPERATES WITH A THOUGHTFUL LIVING VISION, ENSURES THAT ITS BUSINESS PROCESSES ARE SUSTAINABLE WITH THE INTEGRATED MANAGEMENT SYSTEMS IT USES AND THE CERTIFICATES IT OBTAINS.





SUSTAINABILITY GOVERNANCE

OUR SUSTAINABILITY APPROACH

**AS ASTER GROUP OF COMPANIES, WE ACT WITH THE VISION OF “THOUGHTFUL LIVING” IN ORDER TO TAKE PART IN SOLVING THE PROBLEMS FACED BY THE TEXTILE AND READY-MADE GARMENT INDUSTRY, OF WHICH WE ARE A RESPECTED COMPONENT.**

Aster Group of Companies, in line with its responsible management approach, acts with the vision of “Thoughtful Living” in order to take part in solving the problems, especially social and environmental ones, faced by the textile and ready-made clothing industries, of which we are a respected component.

In this process, we integrated the cornerstones of our sustainability strategy, which is shaped by the feedback and expectations of our stakeholders and positioned in five main categories, into our decision-making mechanisms and operational plans. Within the framework of our responsible management approach, we act in line with these criteria without compromise, both in investment decisions and in our plant, machinery, and technology preferences.

In this regard, we attach great importance to collaborations, follow developments, and continuously strengthen our national and global collaborations.

We try to support the development of our colleagues, who are our greatest strength, with a significant training budget. We attach particular importance to empowering our female employees.

**Responsible Management, Environmental Awareness, and Sustainable Supply Chain**

Aster Group of Companies continuously expands its investments in facilities, infrastructure, technology, and digitalization in line with its strategy for a strong internal capacity with vertical integration. In this process, we integrated the cornerstones of our sustainability strategy into our decision-making mechanisms and operational plans. Within the framework of our responsible management approach, we act in line with these criteria without compromise, both in investment decisions and in our plant, machinery, and technology preferences, and take the following actions while we are still in the investment phase:

- We prefer machines with the lowest environmental impact and low water and energy consumption.
- We support our processes with the most advanced water and heat recovery modules currently available.
- We have traceable, fast and accurate process management with digital solutions that utilize full automation and artificial intelligence.



**We offer our customers innovative solutions from design to production through R&D and P&D studies and investments that will increase product quality, durability, and reusing and recycling capabilities, thereby increasing the added value of the product and reducing its impact on the environment.**

- We carry out the integration of existing processes with renewable energy use, rainwater collection and purification systems, and wastewater recovery solutions.

Our machinery and plant investments include the latest technologies as well as energy efficiency/heat and water recovery, artificial intelligence systems, or full automation systems at an additional cost equal to the investment itself.

We strive to be a pioneer in this field by sharing our work on the digitalization/automation of our processes and operations with our industry as academic studies, patents, or commercial solutions.

We measure and validate the environmental impacts resulting from our operations, both for our own factories and the facilities in our supply chain, based on international standards and certifications.

We take a holistic approach to economic, social, and environmental sustainability and constantly strive to improve our management systems. In this context, in addition to ISO 9001 and 27001, we also received our ISO 14001 certificate in 2021.

CORNERSTONES OF OUR SUSTAINABILITY STRATEGY





SUSTAINABILITY GOVERNANCE

OUR SUSTAINABILITY APPROACH

**WHILE CARRYING OUT OUR ACTIVITIES, WE ATTACH GREAT IMPORTANCE TO THE DEVELOPMENT OF OUR COLLEAGUES, OUR GREATEST STRENGTH, AND WE WORK WITH GREAT CARE AND DILIGENCE.**



**Sustainable Products**

We have the technological infrastructure, capacity, and experience to perform all of our pre-production sample processes digitally. By constantly sharing these developments with our customers, we are leading the way to accelerate the digitalization of our common processes.

We offer our customers innovative solutions from design to production through R&D and P&D studies and investments that will increase product quality, durability, and reusing and recycling capabilities, thereby increasing the added value of the product and reducing its impact on the environment.



**We continue to develop local and global collaborations within the scope of the continuation of our Aster Second Life© project, in which we give a second life to our fabric waste.**

In addition, we are constantly improving our certification processes and collaborations to ensure that the process, from the source to the final product, of raw materials we use is transparent and traceable. We integrate our raw material, fabric, and finished product tracking systems that enable the use of new raw materials such as Regenerative Cotton into our facilities and ERP systems.

We continue to develop local and global collaborations within the scope of the continuation of our Aster Second Life© project, in which we give a second life to our fabric waste. This allows us to reuse the waste from our own processes in

the production of yarns, fabrics, and accessories and continuously improve the quality and diversity of the resulting material.

**Human Health and Welfare**

While carrying out our activities, we attach great importance to the development of our colleagues, our greatest strength, and we work with great care and diligence to support the development of both our employees and the people living in the regions of operation. In this context,

- Aster Academy was launched. Training our internal coaches and trainers, we made the personal development and professional orientation trainings of our new graduate hires more comprehensive and long-term. In addition, we continue to enrich our online training modules and make them accessible from every platform.
- We were one of the first participants of the UNGC Target Gender Equality program that started in 2020. We organized gender bias and gender-based violence trainings for our employees. This year, we started P.A.C.E, a 3-year training program project aiming at the personal success and career training of blue-collar female employees, with the commitment to provide this training to 100% of our female employees.
- Through the Aster Foundation, we continue to support the education of our employees and the children in the locations of our factories.



**We continuously review all our strategies, create our 3-year targets, plan our actions for the roadmap we prepare every year, and work to implement them.**

**Our Sustainability Goals**

- We want to further expand our value-added sustainable fabric and product range that will support our growth by strengthening our global collaborations.
- We wish to minimize the environmental impact of these processes by using our technology infrastructure, which digitizes all product development processes, and our experience in an integrated manner with all our customers.
- The buying habits of the end consumer are changing from cheap products that quickly become obsolete to the high-quality products that are wearable for a longer period of time. We believe that this change has been accelerated by a more sustainable future perspective, especially in later generations. We are committed to expanding our projects and collaborations by boosting our efforts together with our employees and stakeholders to increase this change and awareness, which is parallel to our Company's "Thoughtful Living" approach.

We continuously review all these strategies, create our 3-year targets, plan our actions for the roadmap we prepare every year, and work to implement them.



SUSTAINABILITY GOVERNANCE

OUR SUSTAINABILITY APPROACH

**WE SUPPORT GLOBAL SUSTAINABILITY INITIATIVES, INTEGRATE THE BEST PRACTICES IN THIS FIELD INTO OUR PROCESSES, AND RANK AMONG THE SUSTAINABILITY LEADERS OF OUR INDUSTRY.**

- In 2019, we signed the UN Global Compact (UNGC) and the Women's Empowerment Principles (WEPs) and became one of the first participants of these two initiatives in the sector.
- In 2020, we became one of the first participants of the United Nations "Target Gender Equality (TGE)" program in Turkey. In this context, we develop programs and awareness trainings on reducing inequality and gender equality, as well as our corporate social responsibility projects. Furthermore, we have set our roadmap with our business partners to complete Personal Development and Career Empowerment (P.A.C.E) trainings for all women workers at all our facilities by 2025.
- In 2022, we participated in the United Nations Global Compact - Climate Ambition Accelerator program and set out to make our goals and roadmap within the scope of our Sustainability strategy science-based (Science Based Targets Initiative (SBTi) commitment).
- We take a holistic approach to economic, social, and environmental sustainability and constantly strive to improve our management systems. We are developing projects on digital transformation, innovation, zero waste, circular economy, and climate change. Along with the gains we have achieved in these projects, we evaluate the environmental and social impacts arising from our enterprises and supply chain through the Higg platform. Since 2019, we have been regularly having the results verified by impartial auditors using Higg FEM and SLCP tools.





## SUSTAINABILITY GOVERNANCE



## OUR COMMUNICATION WITH STAKEHOLDERS

**WE DEFINE ALL PEOPLE AND INSTITUTIONS WHO ARE BOTH AFFECTED BY THE OPERATIONS OF OUR COMPANY AND AT THE SAME TIME ARE INFLUENTIAL IN OUR COMPANY'S OPERATIONS AS OUR STAKEHOLDERS.**

We define all people and institutions who are both affected by the operations of our company and at the same time are influential in our company's operations as our stakeholders. Our main stakeholder groups consist of our employees, senior management, customers, and business partners, as well as universities, trade unions, public institutions, industry-related associations and organizations, and non-governmental organizations.

STAKEHOLDER GROUP	CHANNEL OF COMMUNICATION	FREQUENCY OF COMMUNICATION
Senior Management	Senior Management Evaluation Meetings	Monthly
Employees	Employee Satisfaction Survey	Yearly
	Open Door Policy	Continuous throughout the year
	"I have an idea" practices	Continuous throughout the year
	Meeting, Assessment, and Announcements	Continuous
Customers	Customer Satisfaction Surveys	Yearly
	Inside and Outside Meetings	Continuous
	Business Development Centres	Continuous
Suppliers	Supplier Evaluations	Quarterly
	Supplier Training and Field Visits	Regularly throughout the year
	Inspections	Regularly throughout the year
Industry-related Associations and Organizations	Inside and Outside Meetings	Project-based
Universities	Projects and Collaborations	Project-based
	Meetings and Evaluations	Regularly throughout the year
Non-Governmental Organizations	Voluntary Activities	Continuous
	Donations and Sponsorships	Continuous
	Projects	Project-based
Local Administrations, Universities and Academic Institutions	Internal and External Reports	Project-based
	Projects	Project-based
All Stakeholders	Social Media and Corporate Website	Continuous



SUSTAINABILITY GOVERNANCE

OUR SUSTAINABILITY PRIORITIES

WE CONDUCTED FACE-TO-FACE WORKSHOPS WITH STAKEHOLDER GROUPS AND OUTLINED SURVEYS TO UNDERSTAND OUR STAKEHOLDERS' SUSTAINABILITY PRIORITIES.

As a company that creates value through effective collaboration with its stakeholders, we involve our key stakeholder groups in our sustainability-based efforts and determine our sustainability priorities by taking their demands, expectations, and perspectives into account.

While determining the sustainability issues that should be prioritized, we benefited from the ready-made clothing industry's trends and feedback we received from our stakeholders. We also studied the GRI Standards sustainability reporting guidance and the GRI report entitled: "Sustainability Topics for Sectors: What do stakeholders want to know?"



*While determining the sustainability issues that should be prioritized, we benefited from the GRI Standards sustainability reporting guidance and the GRI report entitled: "Sustainability Topics for Sectors: What do stakeholders want to know?"*

We carried out a prioritization workshop to determine our strategically important sustainability topics with the participation of our Senior Management and department managers.

We conducted face-to-face workshops with stakeholder groups and outlined surveys to understand our stakeholders' sustainability priorities. While determining stakeholders who will attend prioritization studies, we paid special attention that the selected persons and institutions represented the stakeholder group. We included our employees, suppliers, customers, public and

local administrations, sectoral associations and civil society organizations, and academia in this process by taking their opinions into consideration.

Seeking to ensure that participants have basic information on sustainability and a common language on the issue, we started Prioritization Workshops with sustainability training. During

the workshops and surveys we conducted, we shared sustainability issues that might be prioritized with our stakeholders, and we asked them to list issues that they believe should be priority. All studies were carried out to understand the expectations of our stakeholders, their recommendations for improvement, and to strengthen our dialogue with them.



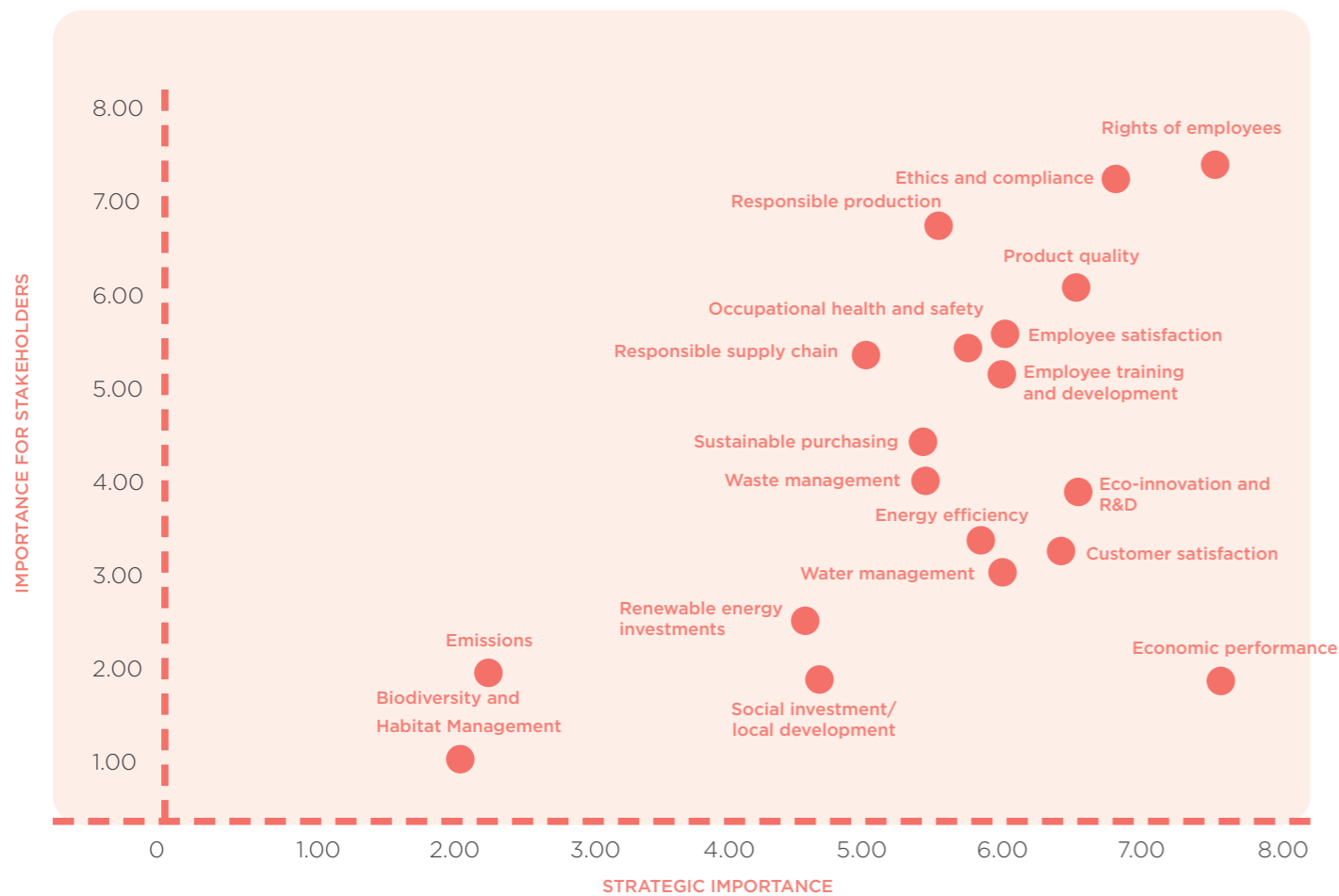


SUSTAINABILITY GOVERNANCE

OUR PRIORITIZATION MATRIX WITH STAKEHOLDER PARTICIPATION

WE INCLUDE OUR KEY STAKEHOLDER GROUPS IN OUR SUSTAINABILITY-BASED WORKS, AND WE DETERMINE OUR SUSTAINABILITY PRIORITIES BY TAKING THEIR DEMANDS, EXPECTATIONS, AND PERSPECTIVES INTO ACCOUNT.

ASTER TEXTILE SUSTAINABILITY PRIORITIES MATRIX



OUR SUSTAINABLE DEVELOPMENT GOALS

ASTER TEXTILE AIMS TO CONTRIBUTE TO THE ACHIEVEMENT OF SUSTAINABLE DEVELOPMENT GOALS BY FULFILLING ITS DUTIES.

The Sustainable Development Goals comprise of a global agenda to end poverty, protect the planet, and ensure all people enjoy peace and prosperity.

We aim to support efforts to reach the Sustainable Development Goals in the ready-made clothing industry in accordance with our institutional priorities, by doing our part as Aster Textile.

As a result of an assessment we made after taking our sustainability strategy and sectorial dynamics into consideration, we determined that the goals listed below are particularly compatible with our work processes.

ENVIRONMENTAL AWARENESS



SUSTAINABLE PRODUCTS



SUSTAINABLE SUPPLY CHAIN



HEALTH AND WELFARE



ENVIRONMENTAL AWARENESS





CORPORATE SUSTAINABILITY

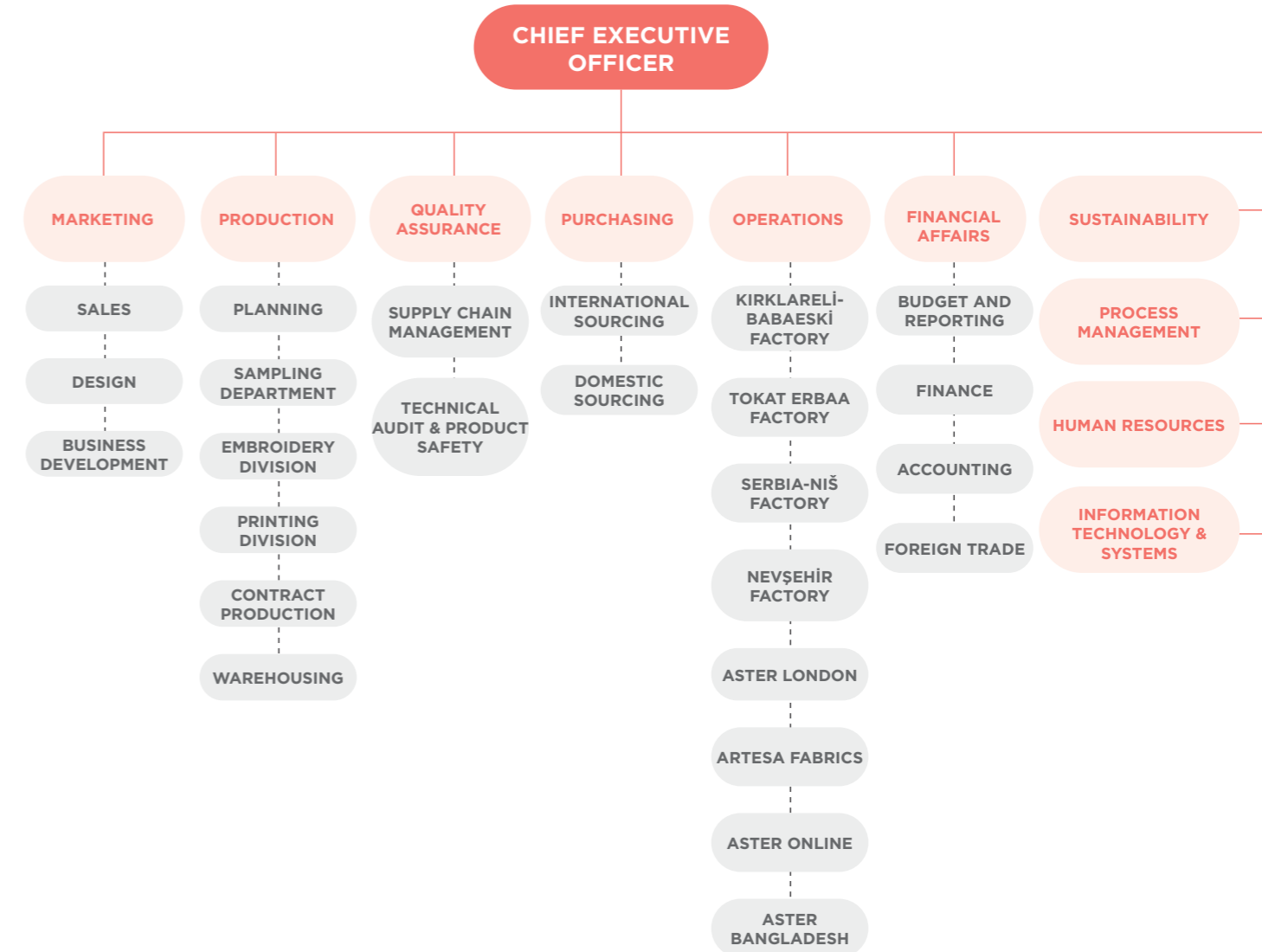
**BOARD OF DIRECTORS**

The Board of Directors, the executive body of Aster Textile, consists of 5 Board Members. The Board Members in office as of the date of this report were elected by the General Assembly resolution dated December 22, 2022.

**Board of Directors**

Name Surname	Title
İsmail KOÇALI	Chairman and General Manager
Kadir KOÇALI	Vice Chairman and Chief Operations Officer
Ali KOÇALI	Chief Marketing and Strategy Officer
Nursen KOÇALI YILMAZ	Board Member
Derya DEMİR	Board Member

**OUR ORGANIZATIONAL STRUCTURE**





CORPORATE SUSTAINABILITY

OUR ETHICS AND COMPLIANCE EFFORTS

**OUR CODE OF CONDUCT IS BASED ON INTERNATIONALLY ACCEPTED STANDARDS, IN ADDITION TO OUR CORPORATE VALUES, RESPONSIBLE MANAGEMENT APPROACH, AND “THOUGHTFUL LIVING” VISION.**

Our Code of Conduct is based on internationally accepted standards including the International Labor Organization Core Conventions, the Universal Declaration of Human Rights, and the principles of the United Nations Global Compact, in addition to our corporate values, responsible management approach, and “Thoughtful Living” vision. At the Aster Group of Companies, the main headings of the Code of Conduct, which is essential to ensure that the way we conduct business in our operations and value chain complies with the law and ethical standards, are as follows:

- Transparency and cooperation
- Compliance with laws and regulations
- No child labour
- No forced or compulsory labour
- Non-discrimination and equality
- Prevention of ill-treatment and harassment
- Wages and benefits
- Freedom of association and participation in management

- Healthy and safe workplace conditions
- Environmental management
- Anti-Corruption and Anti-Bribery

Our employees cannot be discriminated against based on gender, religion, sect, race, colour, political view, sexual preference, or ethnicity. If our employees face a breach of code of conduct, they can communicate this breach to Human Resources through internal communication channels, petition and complaint practices or within the scope of the open-door policy.

These reports are registered and evaluated by the Disciplinary Committee. Various measures are implemented as a result of violations of professional principles, from warnings to dismissals.

As an important part of our ethical ways of working, bribes or any other undeserved gains that aim at obtaining unlawful advantages can neither be requested nor offered, directly or indirectly, in our company.

We expect all our business partners to be included in our chain of values and to be in harmony with Aster Textile’s ethical culture. Through this we aim to strengthen our relationships with our business partners and improve our fair and responsible supply chain. In this regard, we share our “Aster Supplier Professional Principles” with our business partners before our contract goes into effect. We supervise the performances of our suppliers in complying with these principles through periodical supplier inspections.

There is no ethics hotline established within the Company. Our factories have third-party ethical hotlines through the customers we work with. These notifications are sent to the customer and no complaints were received during the period covered by this report.

RISK AND CRISIS MANAGEMENT

**AUDITS AND CONTROLS ARE THE MAIN TOOLS OF RISK MANAGEMENT AND THE RESULTS OF OUR AUDITS FOR THE RISK CONTROL POINTS WE HAVE IDENTIFIED ARE REGULARLY REVIEWED BY THE SENIOR MANAGEMENT.**

It is necessary for companies to create risk control mechanisms to ensure sustainability. Audits and controls are the main tools of risk management and the results of our audits for the risk control points we have identified are regularly reviewed by the senior management. Our main risk groups that we evaluate with the risk management approach are listed below:

**Information Safety Risks**

In line with the requirements of the ISO 27001 standard, we have created the Information Security Management System. The efforts in this field are carried out according to the Information Security Management System Policy.

**Operational Process Risks**

As part of ISO 9001, Risk Assessments are performed for operational processes.

**Supply Chain Risks**

With a responsible supply chain approach, supplier risk assessments are carried out for different risk factors.

**Environmental Risks**

Risk assessment studies of environmental factors are carried out within the scope of ISO 14001 for all processes starting from raw materials to the delivery of the product to the customer.





CORPORATE SUSTAINABILITY

**CORPORATE GOVERNANCE AND INTERNAL AUDITS**

**OUR CORPORATE MANAGEMENT APPROACH HELPS US IN CREATING ADDED VALUE FOR ALL OUR STAKEHOLDERS.**

We have shaped our corporate management practices around the principles of transparency and fair and responsible behaviour. Our corporate management approach helps us in creating added value for all our stakeholders.

Within the scope of our working principles, Environmental Management System, Occupational Health and Safety, Quality Management System, and Product Safety, Information Security Management System policies, internal audits are regularly conducted and reported to cover all processes and activities determined. In addition to the internal audit findings, the following feedback items are also included in this report as a result of the studies and analyses conducted by our responsible units during the relevant period:

- Internal and external audit results
- Customer complaints and survey evaluations
- Employee suggestions and requests



*We have shaped our corporate management practices around the principles of transparency and fair and responsible behaviour.*

- Supplier evaluation results
- Target assessment results and improvement recommendations
- Process performance and Product Compliance
- Risk and opportunity identification efforts
- Feedback from stakeholder communication channels and data and statistics on corrective actions related to them
- Legal compliance tracking and monitoring reports

The relevant committee regularly meets every year with the participation of the Chairman of the Board. Additional meetings may be organized depending on system changes and developments during the evaluation period.

As a result of the committee meetings, the necessary arrangement, development, and resource management are planned and decided in order to strengthen the relevant strategies and ensure that Ethical and Legal Compliance is fully ensured in our activities.

**COMBATTING BRIBERY & CORRUPTION**

**WE BELIEVE THAT BUSINESS MUST NOT ONLY AVOID BRIBERY, EXTORTION, AND OTHER FORMS OF CORRUPTION, BUT ALSO DEVELOP POLICIES AND CONCRETE PROGRAMS AGAINST CORRUPTION.**



We believe that under Article 10 of the United Nations Global Compact, of which we are a signatory, and on the basis of the United Nations Convention against Corruption, the business world should not only avoid bribery, extortion and other forms of corruption, but also develop policies and concrete programs against corruption.

As stated in our Company's code of conduct, bribery or any other conduct of offering, promising, or demanding an unfair advantage, directly or indirectly, in order to obtain or maintain business or any other undue advantage, is never acceptable.

However, as set out in our Supplier Code of Conduct, the supply chain is also obliged to comply with all applicable anti-corruption and anti-bribery laws, and payments to facilitate business and offering or accepting bribes should not be tolerated and should be prevented.

In 2021 and 2022, no complaints were received through ethics hotlines\* in our factories during the period covered by this report. Complaints received through the open-door policy, petition and complaint channels, or company communication channels are also evaluated by a commission and no non-compliance was observed within the scope of anti-bribery and anti-corruption.

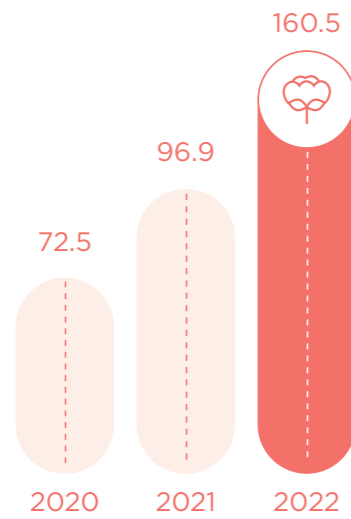
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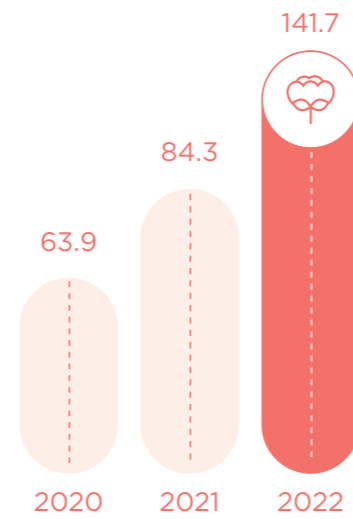
SUSTAINABLE GROWTH

OUR ECONOMIC PERFORMANCE

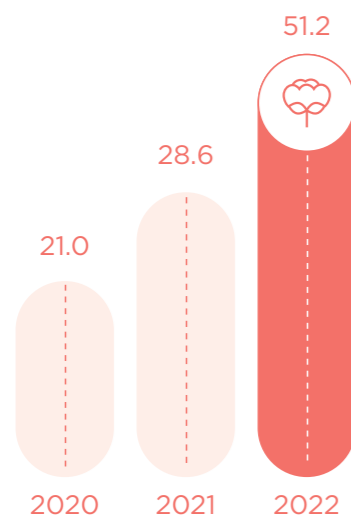
NET SALES (EUR MILLION)



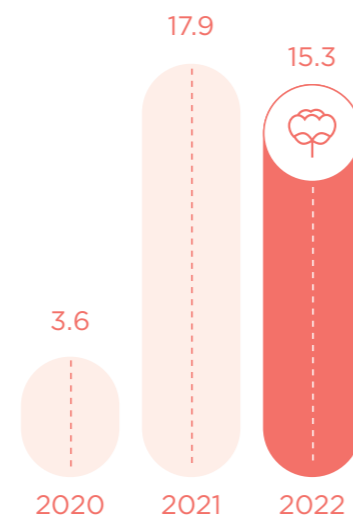
TOTAL EXPORTS (EUR MILLION)



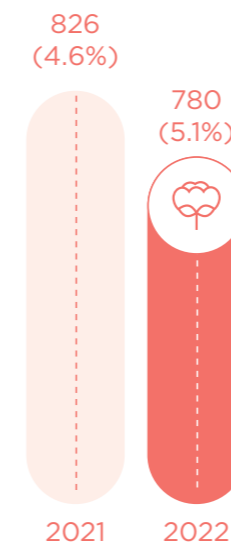
GROSS PROFIT (EUR MILLION)



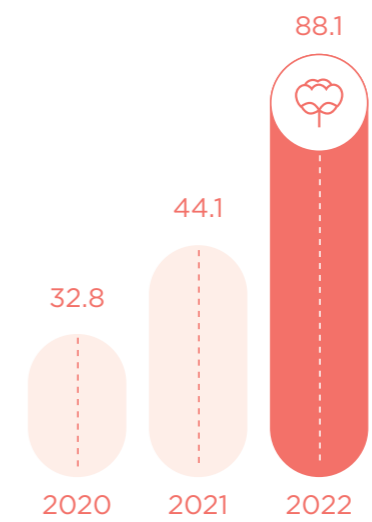
TOTAL INVESTMENTS (EUR MILLION)



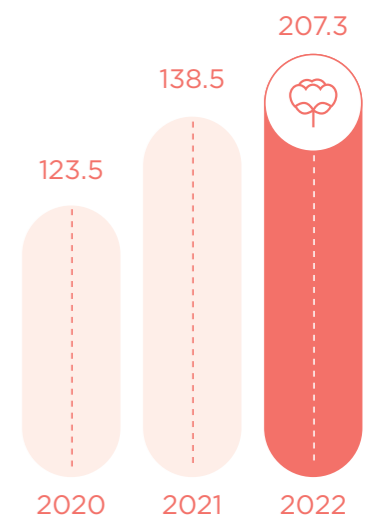
TOTAL R&D INVESTMENTS (EUR THOUSAND)



TOTAL EQUITY CAPITAL (EUR MILLION)



TOTAL ASSETS (EUR MILLION)





SUSTAINABLE GROWTH

MAIN ACTIVITIES

**WE INCREASE OUR COMPETITIVENESS BY SUPPORTING OUR GLOBAL AND VISIONARY PERSPECTIVE WITH AN APPROACH FOCUSING ON INNOVATION AND SUSTAINABILITY.**



**Fashion & Design**

Through our experienced design and business development teams in Istanbul and London, located at the heart of exciting fashion culture, we follow fashion trends and product line innovations around the world first-hand and very closely.

We attend all fashion, fabric and technology fairs around the world to better understand our target markets, changing fashion trends, our customers and their preferences. Our findings on market dynamics and customer preferences provide the inspiration and knowledge we need to shape our product range and collections.



**We attend all fashion, fabric and technology fairs around the world to better understand our target markets, changing fashion trends, our customers, and their preferences.**

We increase our competitiveness by supporting our global and visionary perspective with an approach focusing on innovation and sustainability. With our Aster Design Depot project, we are gaining speed and cost advantages by moving design work to the digital platform, while also making significant gains in reducing our environmental impact. In addition, we are able to develop all our pre-production processes, from design to sample, in a completely digital environment with our technology and know-how.



**Production & Shipment**

We do business with the vision of being a solution partner for our customers on a global scale. From the production of natural and synthetic functional knitted fabrics to dyeing and finishing, from embroidery to printing, we offer an integrated service with a wide range of products. We have 4 separate garment facilities in Turkey and Serbia. Our factories are among the largest and most modern facilities in their regions. We combine our experience in production with our modern and flexible organization. We use the latest technologies through all our work processes to produce high-quality products and present them to the global markets we operate in.

Thanks to our broad production capacity we are able to respond to the varying needs of our customers, from luxury product groups to high-volume production programs. We use the "Lean Production System" in every phase of production to achieve the highest productivity.

**Business Development & Supply**

We are aware that innovation and creativity are the key to positioning ourselves among the leaders of the rapidly changing and evolving global fashion market and maintaining our sustainable growth trend. We update our global resource supply and investment operations in parallel with the ever-changing requirements of the market.

Our Business Development Centres contribute to our success by providing a unique body of knowledge to our corporation. Our highly experienced technical and support teams push the boundaries to develop special qualities, techniques, products and production processes.

**Thanks to our broad production capacity we are able to respond to the varying needs of our customers, from luxury product groups to high-volume production programs.**





SUSTAINABLE GROWTH

MAIN ACTIVITIES

**THROUGH INTEGRATING INNOVATIVE SOLUTIONS, THE DIGITAL RECIPE SYSTEM, AND TRACEABILITY, ECO-FRIENDLY PRODUCTION PLANNING IS ENSURED WITH THE GREATEST ATTENTION TO QUALITY AND ACCURACY.**

**Embroidery & Printing**

Consistently tracking global fashion trends, our Embroidery Department provides high-quality, elaborate, and distinctive embroidery-related services to our customers. The embroidery design and production teams deliver innovative services, supported by the R&D and design teams in contributing to Aster's production goals. In line with our GOTS, GRS, and RCS certificates and sustainability principles, we do not use any prohibited substances in embroidery.

In both the embroidery and printing departments, we can design print and embroidery samples of all kinds of techniques in a completely digital environment and integrate these works into the products also developed digitally. This enables us to digitally present all the colour, sample, and change requests needed before production to our customers without using any raw materials and chemicals.

We develop our processes in our printing facilities, which we built using state-of-the-art machinery, within the framework of our sustainability principles, being aware of our responsibility towards



**We develop our processes in our printing facilities, which we built using state-of-the-art machinery, within the framework of our sustainability principles, being aware of our responsibility towards the environment.**

the environment. We use GOTS and GRS compliant dyestuffs and ZDHC MRSL 3.0-listed chemicals in our printing facilities which have GOTS and GRS certificates. We also prefer to use water-based auxiliary chemicals.

Through integrating innovative solutions, the digital recipe system, and traceability, eco-friendly production planning is ensured with the greatest attention to quality and accuracy. With fully automated systems for placement on the sample and production, as well as for application, printing, and exposure, we work to prevent possible human errors and material losses in all processes from design to shipment.

Within the scope of the Efficiency and Digital Transformation project in the printing production line, which we have implemented with our own means, we ensure that the patterns are transferred to the printing line via cloud-based systems and projected. Thus, we not only increase efficiency but also minimize resource consumption and environmental impact.

The water we use for mold washing in the Printing Department is treated in the purification unit within the facility and reused for this purpose.





SUSTAINABLE GROWTH



OUR PRODUCT SAFETY AND SERVICE QUALITY

**OFFERING OUR CUSTOMERS HIGH-QUALITY PRODUCTS THAT COMPLY WITH THEIR NEEDS AND EXPECTATIONS IS AMONG THE TOP PRIORITIES OF THE COMPANY.**

We have a talented team and a vision that is focused on offering the best during every process, aiming at perfection in the quality of production and service. Offering our customers high-quality products that comply with their needs and expectations is among our top priorities. We implement the ISO 9001 Quality Management System to efficiently manage our quality processes. In addition, we identify quality risks for every phase of our production processes, and we implement necessary measures against the risks identified. Furthermore, every year we set targets that will help us move the quality of our products to the next level and we periodically assess our performance in reaching these targets.



**For cotton and synthetic content, we continue our efforts to maximize the quality standards of the fabrics we produce in our warp and weft knitting facilities.**

Thanks to Artesa Fabric, Aster Group has a monthly capacity of 350 tons of circular knitting, 40 tons of raschel knitting, and 550 tons of dyehouse capacity. These investments made within the scope of our vertical integration strategy mean stable fabric production and quality with high standards supported by eco-friendly and state-of-the-art equipment.

For cotton and synthetic content, we continue our efforts to maximize the quality standards of the fabrics we produce in our warp and weft knitting facilities. In outsourced raw materials and auxiliary materials, our Quality Assurance Department is responsible for controlling tests and assurance systems at the highest standards.



SUSTAINABLE GROWTH

OUR PRODUCT SAFETY AND SERVICE QUALITY

**IN 2022, WE TOOK ANOTHER BIG STEP TOWARDS TRANSPARENCY AND OPENNESS BY MOVING OUR LABORATORIES TO ARTESA.**

In 2022, we took another big step towards transparency and openness by moving our laboratories to Artesa. In this context, our trainings continue before ISO 17025 certification. We can perform test applications in different standards, such as ISO, AATCC, and M&S.

To further enhance product quality, we improved the coordination of our quality assurance teams in three different countries and seven different cities and established a central quality team for the coordination of all production centres.

As part of the reporting policy of quality processes, digitalization projects were implemented to enable instant monitoring of measurable, transparent, flexible, and verifiable data.

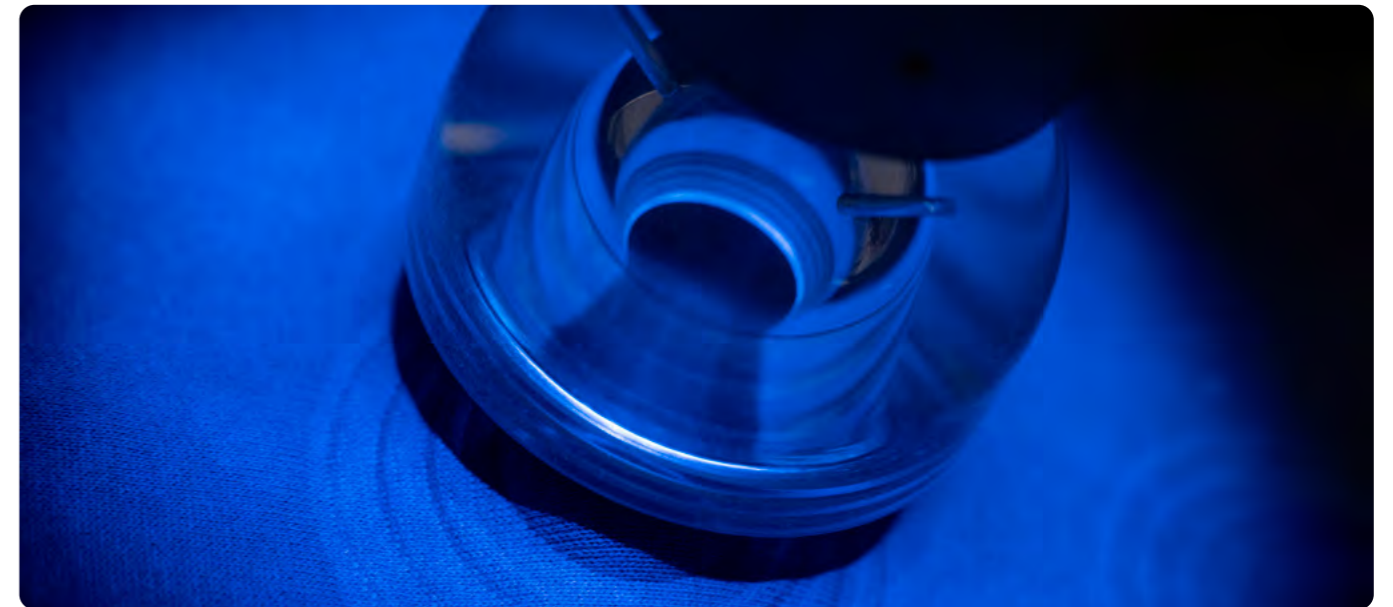


**To further enhance product quality, we improved the coordination of our quality assurance teams in three different countries and seven different cities and established a central quality team for the coordination of all production centres.**

Our Quality Assurance Management transparently publishes reports for each production centre and customer in order to ensure continuous learning and development.

**Aster Physical Test Laboratory**

We perform quality assurance tests of the fabrics and accessories we use in production in our Physical Test Laboratory accredited by our customers. Our laboratory is periodically inspected by our customers and independent auditing institutions. Additionally, correlation studies and current standard method training and practices continue regularly in our laboratory. In our Physical Test Laboratory, we have an investment in knowledge and equipment that can manage a wide range of standards and demands, supporting our broad customer portfolio.



Some of the main tests carried out at our laboratory are:

- Colour fastness to Washing, Perspiration, Dry and Wet Rubbing
- Light Fastness
- Bursting and Tear Strength, Stretch and Recovery, Seam Slippage
- Random Tumble, Martindale and ICI Pilling tests
- Compressive Strength, Phenolic Yellowing, and pH
- Shrinkage, appearance and skewness tests after washing
- Pool and Seawater Fastness,
- Abrasion Strength and Yarn Shrinkage tests

**Aster Textile Quality Policy**

- To offer value-added products with flexibility, entrepreneurial spirit, and innovative structure in accordance with the expectations of our customers.
- To carry out studies based on productivity and profitability by targeting continuous improvement and development for sustainable success.
- Working to create a corporate culture that respects humanity and nature, believing in the power of teamwork.

We believe that we will produce high quality products with low costs by managing our activities in an integrated manner with Quality Management Systems. We will deliver them on time, meeting the expectations and requirements of our customers, and thus, we will increase our competitive power and market share. We perform quality assurance tests of the fabrics and accessories we use in our Physical Test Laboratory, which is accredited by our customers.

Our teams specialized in quality assurance and quality control in the textile industry carry out the necessary controls at all stages of production processes.

Along with product quality, product safety is also one of the issues we carefully manage. One of the product safety risks in the textile industry is the risk posed by a broken needle remaining in the product. To eliminate this risk, our production lines strictly follow the broken needle procedure, while all of our products are checked with metal detectors at the end of the production line.



SUSTAINABLE GROWTH

R&D AND INNOVATION

**WITH OUR CLO 3D SIMULATION INFRASTRUCTURE, WE MOVE OUR COLLECTIONS AND PRE-PRODUCTION SAMPLE PROCESSES INTO OUR DIGITAL SHOWROOM.**



As Aster Textile, we have been investing in digital product development technologies and our employees working in this field since 2019, especially due to the high cost of samples and the loss of labour and time in the sampling process of classical methods, as well as environmental aspects and fabric waste.

With our CLO 3D Simulation infrastructure, we move our collections and pre-production sample processes into our digital showroom. In 2021, we expanded



**The efficiency and digital transformation project in the printing production line that we implemented entirely with our own means and resources helped to increase our productivity and reduce our resource consumption and environmental impact.**

the scope of our work in this field by investing in a second 3D software: Browzwear. Thanks to the avatars created exclusively for our business partners, delivery of physical samples is significantly decreased. As a result, less raw materials, energy, and water are used; in addition, packaging materials utilized during sampling and transportation processes are eliminated. We reduced the carbon footprint of these processes substantially.

**Digital Transformation**

	2019	2020	2021	2022
3D Sample Ratio in Pre-Production Sample Processes	7%	15%	21%	37%

We also minimized its environmental impacts related to sample delivery and delivery costs with its DigiEye and DigiView investments. These solutions enable completion of colour approval processes within 24 hours, compared to conventional methods that formerly required over one week. This solution results in a lower carbon footprint, increased agility during the sales process, and a solid competitive advantage.

The Industry 4.0 digital transformation underway with Boss Solutions is another significant innovative initiative implemented by Aster Textile. This effort aims at digital data management during the pre-production process, in addition to access to real-time quality, productivity, and production information. With a tablet application that automatically updates every 30 seconds, the instant efficiency values of Aster operators can be monitored. Individual and band efficiencies can also be determined. With this project, we can prevent product and time losses in a very short time thanks to instant data tracking.

The efficiency and digital transformation project in the printing production line that we implemented entirely with our own means and resources helped to increase our productivity and reduce our resource consumption and environmental impact.



**With a responsible and innovative approach, Aster Textile will deepen its efforts towards the automation and digitalization of processes in many areas of production, and it will continue to develop both software and hardware solutions using its own internal resources and through collaborations.**

In this context, cloud-based transportation of the patterns to the printing press and their projection were ensured. Setup times and OEE ratios were improved by conducting SMED studies on the machines.

Thanks to the Aster Design Depot project, we have relocated our designs to the cloud, ensuring the security and instant accessibility of data. The visuals and labelled definitions of the prepared designs were collected in a pool on the ERP system, and this made accessing via filter searches and reporting easier. These digital transformation efforts, which could replace the customer visits (by both parties) that decreased bilaterally after the pandemic, not only created speed and cost advantages in sales but also reduced our carbon footprint.

Thanks to the software and hardware we positioned on the layers in the laying section of the production, the detection and sorting of fabric waste during laying were ensured. In addition, we started to instantly monitor all data, such as the time spent for laying and total productivity.

With a responsible and innovative approach, Aster Textile will deepen its efforts towards the automation and digitalization of processes in many areas of production, and it will continue to develop both software and hardware solutions using its own internal resources and through collaborations.



SUSTAINABLE GROWTH

INFORMATION TECHNOLOGIES

**ASTER GROUP OF COMPANIES EFFECTIVELY MANAGES AND CONTINUOUSLY IMPROVES ITS RELIABLE AND TRANSPARENT INFORMATION SECURITY MANAGEMENT SYSTEM (ISMS) PURSUANT TO ITS ISMS POLICY.**

Aster Textile Group is committed to protecting its information assets and managing these assets to serve its corporate mission, vision, and strategies. Aster effectively manages and continuously improves its reliable and transparent Information Security Management System (ISMS) to ensure internal and external customer satisfaction pursuant to its ISMS Policy.

As part of our Information Technologies activities;

- Subsequent to signing the agreement, the email system of our Company was migrated to the Microsoft cloud system with licensing transactions now performed automatically.
- Improvements in security solutions were made against the rising incidence of cyberattacks.



**Principles of our Information Security Management System (ISMS) Policy**

- Being aware of information assets, analysing and identifying their risks, and taking appropriate measures,
- Protecting the information assets of Aster Textile and Aster Global against any and all threats that may arise either internally or externally, intentionally or unintentionally and ensuring the confidentiality, integrity and accessibility of information as required,
- Complying with all applicable laws, rules, regulations, directives and procedures for which Aster is responsible,
- Closely monitoring technological innovations and developments in the field of ISMS, ensuring continuous improvement of the ISMS, and reviewing it at regular intervals,
- Maintaining the competence for rapid intervention to any information security events that may occur and minimizing the impact of the event.

- ISO 27001 Information Security Management System was set up and business continuity plans were prepared.
- Threats related to our locations were discovered by penetration tests and eliminated.
- Upon making necessary investments and studies, some Aster employees were enabled to work from home or remotely during the pandemic.
- All systems running on display units created by open-source software can be instantly monitored.
- Servers were acquired through leasing instead of purchasing, renewed every 3 years, and thus problems were solved in a faster and more economical manner.
- Optimate software was started to be used for effective monitoring and management of the ISMS system, activities, and risks.
- To improve internet access, a radiolink line was installed in addition to the terrestrial line.



In the coming year, Aster Textile plans to focus more on production innovation in line with changing trends in information technology. This effort aims to boost Aster's competitive advantage in this critical area.

The impact of these improvements on nature and the environment is one of the parameters we will prioritize. In this context, we will continue to focus on important topics, such as scaling IT operations and IT designs in line with "Green IT", effective use of virtualization and cloud



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technologies, reducing the use of paper within the Company, and saving money by minimizing energy use.

Our Information Technologies team sees technology and science as important tools to leave a more liveable environment to future generations with less negative impacts on Turkey and the world.



SUSTAINABLE GROWTH

OUR SUPPLY CHAIN

AS A RESPONSIBLE PRODUCER, WE CONDUCT VARIOUS STUDIES TO MANAGE THE EFFECTS ARISING FROM OUR SUPPLY CHAIN AND TO MINIMIZE THESE EFFECTS.



Companies in the ready-made clothing industry have indirect social and environmental impacts resulting from the supply chain and separate from their own operations. As a responsible producer, we conduct various studies to manage the effects arising from our supply chain and to minimize these effects.

We believe that establishing trust and collaborative relationships are among the fundamental requirements of a transparent, fair and responsible supply chain. Accordingly, necessary audits may be carried out at all our suppliers, including our own facilities, by our customers or certified audit firms authorized by our customers, and non-governmental organizations of which they are members.

We established the Aster Supplier Code of Conduct, consisting of 12 main criteria which include the approaches we expect from our suppliers, along with the values of our company. This Code of Conduct is in accordance with internationally recognized standards, including the United



**Our Supplier Code of Conduct**

- Transparency and cooperation
- Compliance with laws and regulations
- Prevention of child labour
- Prevention of forced labour
- Prevention of discrimination
  - Humane treatment
  - Wages and benefits
  - Working hours
- Freedom of association and collective bargaining
- Healthy and safe workplace conditions
- Environmental protection and waste management
- Anti-corruption and anti-bribery

Nations Global Compact Principles, the International Labor Organization main standards and the Universal Declaration of Human Rights.

We declare our Code of Conduct to our suppliers at the stage of signing a contract and we expect them to fully comply with these principles.

While building our supply chain, we attach importance to giving priority to local suppliers to support local development.

**Selection and Evaluation of Suppliers**

Aster Textile Regularly evaluates its suppliers under the headings of Technical, Social Compliance, Quality, and Environment. By creating action plans within the scope of the findings, we aim that our suppliers improve and maintain their relevant processes. When selecting new suppliers, we take the results of our evaluations based on these criteria into account.

- Suppliers of materials (fabrics and accessories) and services (cutting, sewing, ironing, packaging, printing, embroidery, handicraft contract workshops) that directly affect production quality are subject to the evaluation process.
- The "Approved Supplier List" is prepared by the relevant departments according to the supplier evaluation performance to be made twice a year and approved by the department managers.
- A Supplier Performance Assessment must be conducted for companies that are considered for inclusion in the Approved Supplier List.
- Samples may be taken, or sample production may be required for the products and services of suppliers to be contracted for the first time during the year. According to the test and evaluation results of these samples, a contract decision can be made, and the supplier is subjected to the first supplier evaluation.



**Our Zero Tolerance Points:**

- Transparency
- Prevention of child labour
- Prevention of forced labour
- Prevention of discrimination
  - Humane treatment
  - Legal minimum wage
- Non-registered employment
- Occupational health and safety
- Anti-corruption and anti-bribery

- The suppliers who are referred by the customer and the suppliers we are obliged to work with due to the requirements of the order are not expected to be included in the Approved Supplier List. However, these suppliers are subject to the standard supplier evaluation process at the time of the first evaluation.

As Aster Textile, we never compromise our social compliance criteria in line with our human-oriented policies and commitments for "Responsible Production" and "Decent Work and Economic Growth," which are among United Nations Global Development Goals: We do not work with suppliers who fail to comply with any of these points.



HEALTH AND WELFARE

OUR HUMAN RESOURCES APPROACH

**OUR WORKFORCE CONSISTS OF 3,060 EMPLOYEES, 60% WOMEN AND 40% MEN, EMPLOYED AT ALL OUR LOCATIONS.**

At Aster Group of Companies, we focus on the development of our human resources by following innovative training and practices.

The basis of our human resources policy - our principle of anti-discrimination, equal, fair and equitable approach is an important building block of our corporate culture.

**Performance Management**

At Aster, we see our human resources as the most important element in achieving our strategic goals and creating value, which is why we always prioritize investing in and developing our people. We restructured our Performance Management System in the organization with this perspective.

In this process of transition from the KPI structure to the OKR structure, we have transformed Performance Management from a measurement tool where only numerical targets are evaluated to a more personal and free area where each employee sets their own targets in a way that contributes to the strategic goals of our company as a part and supportive element of the development culture. By encouraging open communication and inter-departmental cooperation, we have adopted a practice approach that involves



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all employees in the goal-setting process and strengthens inter-team cohesion and coordination.

In this way, performance management is no longer a process owned only by the department manager and human resources but has become a process that not only increases the employee's understanding of and compliance with the company's strategy but also enables them to transparently monitor both their own and their teammates' goals. With this system, we started to use the Twiser platform, where we can follow the processes transparently and interact easily and instantly, much like using social media.

**Training and Development Planning**

Aster Textile's training and development activities are designed to support employees' continuous improvement through their career journey and enhance their vision. Significant importance is attached to the personal training and development of all our employees across the organization. Resources are allocated for the training and development of each employee.

Performance management system results are assessed by considering many factors, including job position changes and feedback received during one-to-one interviews with human resources

staff. Career development plans and development plans are made according to these results.

In addition to traditional classroom training, Aster Textile uses coaching, e-training programs, outdoor training programs, and project tasks as development tools. We also organize training programs to meet the technical development needs of the various departments.

At Aster, we encourage our employees to study for a Master's degree. For this purpose, we have made agreements with some private universities to offer discounts to our employees.

**Internal Communications**

Periodic year-end goal assessment meetings are organized at Aster Textile with the participation of senior management where business/performance results are evaluated. We also inform our employees about Aster's strategic objectives for the coming year.

Aster Textile actively encourages employees to form a cohesive community, spend and enjoy time together outside the workplace. The Aster staff community spirit is strengthened at terrace parties, departmental dinners, culture trips, spring festivals and picnics, year-end parties, campaigns of social activity groups with charitable associations and foundations, and similar events.

**Talent Management**

Each year, Aster Textile participates at university career days where promising students are invited to join the Aster family. New graduates, who join the Aster team, are included in a six-month training program on personal and professional development. Subsequently, the new graduate hires are placed in their career positions in line with their interests and talents.

Every year, Aster forms a potential manager pool as a result of the regular annual assessments. High-potential employees, who are

identified at Human Resources Planning Meetings, are provided special training and development opportunities and given support to prepare for their next-level position.

**Salary & Wage Management and Fringe Benefits**

Aster Textile uses an international job evaluation system that enables all internal business units to align with the wage management policy based on their job positions. The system also helps measure their contribution in achieving corporate goals. We apply the competitive wage policy, which we have determined in line with the current wage structure, market position, competition, and ability to pay, fairly and without discrimination based on gender, language, religion, or race.

**Employee Loyalty and Satisfaction**

To better understand the needs and expectations of Aster employees and take employee loyalty to the next level, employee satisfaction surveys have been conducted regularly since 2013. At the end of these surveys, the opinions of the employees on corporate perception, training, development, performance management, career planning, internal opportunities, and infrastructure capabilities are shared with Senior Management. Improvement plans are developed based on survey results. As for our graduate employees, we conduct the Beginners Survey to hear about their experience during the orientation process. Aster Textile is committed to creating and fostering a working environment where our employees can have a say and actively participate in company operations.

Aster's Great Idea initiative solicits employee opinions and suggestions on business processes and work life in general; practical and implementable ideas are taken into consideration and evaluated. We also adopt an open-door policy that provides our employees the opportunity to communicate all their demands, requests, suggestions, and opinions to the Human Resources Department.



**To better understand the needs and expectations of Aster employees and take employee loyalty to the next level, employee satisfaction surveys have been conducted regularly since 2013.**



HEALTH AND WELFARE

OUR HUMAN RESOURCES APPROACH

**WE PARTICIPATED IN THE SOCIAL & LABOR CONVERGENCE PROGRAM (SLCP) TO MEASURE AND IMPROVE OUR IMPACT WITH A UNIVERSAL AND ENTIRELY TRANSPARENT TOOL.**



**Our Recruitment Processes**

At Aster, employees are recruited with non-discrimination on the basis of sex, religion, sect, race, skin colour, political view, sexual orientation, and ethnic background. No discrimination is made between employees for these and similar reasons during the working period.

When recruiting new employees, both applications through online portals and personal applications are considered. We enrich the candidate pool through internal posts of vacant positions and research that we conduct via online portals.

We apply a formal candidate selection process, which varies according to job position, during



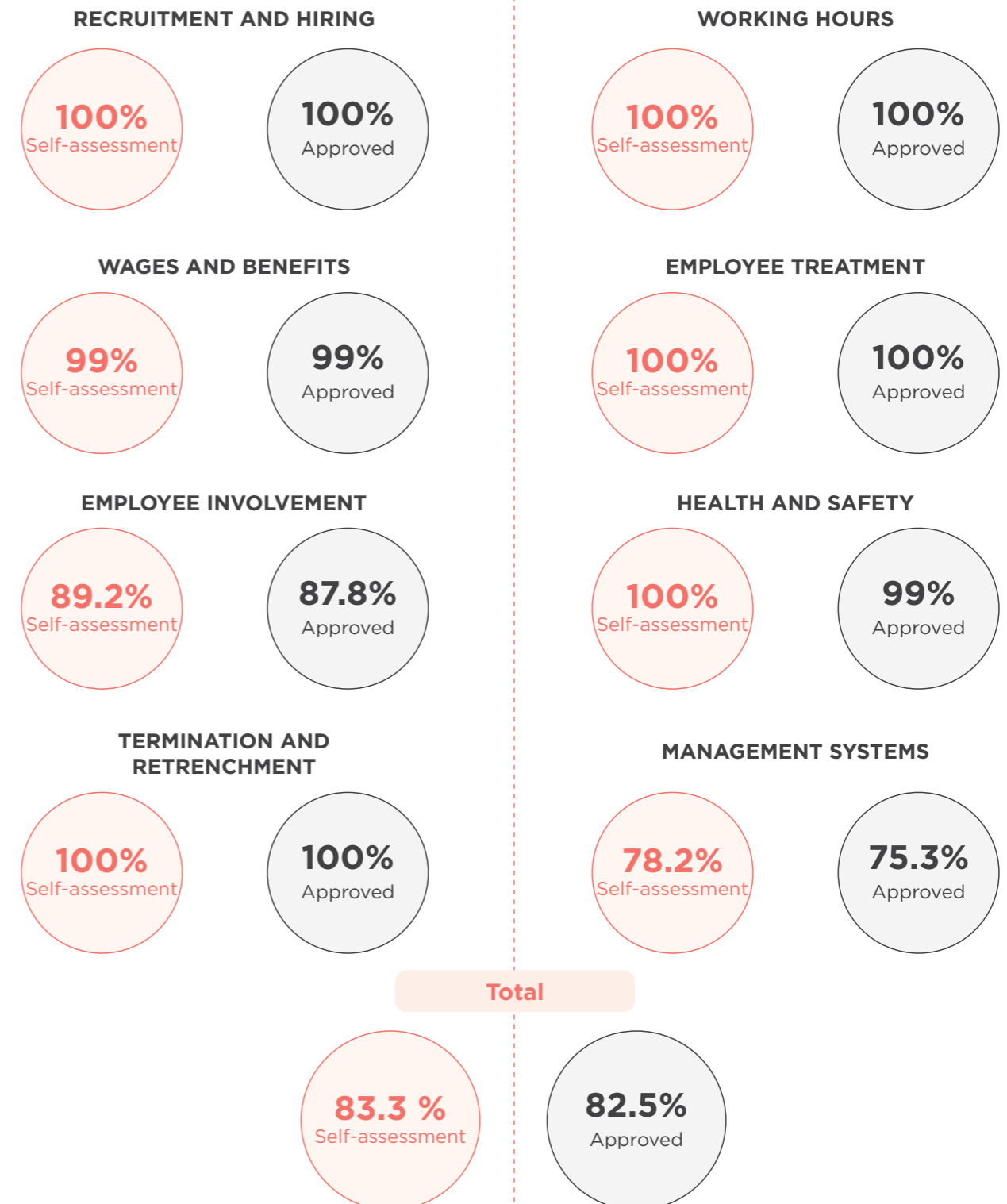
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recruitment. The screening process includes case studies, presentations, foreign language proficiency testing, personality inventory applications and reference checks at the last stage. Candidates who have completed the selection process successfully are included in the orientation program as soon as they start work at Aster.

**Social & Labor Convergence Program**

We participated in the Social & Labor Convergence Program (SLCP) to measure and improve our impact with a universal and entirely transparent tool.

**Social & Labor Convergence Program Data 2022**





HEALTH AND WELFARE

EMPLOYEE RIGHTS

**IN ORDER FOR SUSTAINABLE HUMAN DEVELOPMENT TO BE COMPLETELY ACHIEVED, IT IS INEVITABLE FOR MEN AND WOMEN TO CONTRIBUTE ON AN EQUAL BASIS.**

For 35 years, we have recognized our human resources as our most valuable asset, and with a “people-oriented” approach, we consider providing our employees with a fair, safe, and respectful working environment where their rights are protected as one of our sustainability priorities.

In order for sustainable human development to be completely achieved, it is inevitable for men and women to contribute on an equal basis. In this sense, we institutionally attach importance to ensuring gender equality and apply the policy of equal pay for equal work. We advocate gender equality within our institution, as it should be throughout all parts of life. We have adopted a way of doing business that respects employee rights in line with the requirements of the United Nations Global Compact, of which we became a voluntary signatory. We have been one of the first signatories of the Women’s Empowerment Principles (WEPs) in our industry, pioneers in our industry in the field of women’s employment and empowerment.



**Every year we organize regular training on Gender Equality and gender-based violence for all our blue-collar employees.**

Every year we organize regular training on Gender Equality and gender-based violence for all our blue-collar employees. In 2023, we participated in the P.A.C.E project, a 3-year training program for our blue-collar female employees. We created our roadmap with our commitment to deliver 4.5-day “Personal Development and Career Development” trainings to all our female blue-collar employees by certifying our own internal trainers working with our business partners.

We provide stationery support for the children of all our employees throughout their formal education. In addition, in line with the requests received from our employees every year, we offer an 8-month scholarship to a university student of each family with a GPA of 2.5 or above. We are proud to support the families of our employees in their education and training through the Aster Foundation.

EMPLOYEE TRAINING AND DEVELOPMENT

**UNDOUBTEDLY, ONE OF THE MAIN FACTORS THAT HAS PAVED THE WAY FOR ASTER’S SUCCESS IN SUSTAINABILITY IS THE VALUE IT ATTACHES TO PEOPLE.**

**ASTER ACADEMY**

Undoubtedly, one of the main factors that has paved the way for Aster’s success in sustainability is the value it attaches to people. Acting on this understanding and focusing on leadership and social sensitivity, we encourage our colleagues to be individuals who can continuously improve themselves in every sense by supporting their personal and career development.

In 2021, we launched the Aster Academy, which we established to help our human resources adapt to the changing world order, support their development, and train qualified human resources for the sector. With the Aster Academy, we aim to provide our employees with access to training content online through the creation of digital training platforms.

We attach importance to the fact that our employees develop their competencies in their subjects with their technical capacities and that they start to feel this development from the first months of their employment. We support our employees’ career journeys



**We attach importance to the fact that our employees develop their competencies in their subjects with their technical capacities and that they start to feel this development from the first months of their employment.**

with various training programs, and we aim to train pioneering, acting, unifying, motivating, and impressive leaders of the future within the institution.

**Aster Academy - Leadership and Coaching Programs:**

We aim to create a working environment where people are happy to work with each other through our Leadership and Coaching Training project, which began with the Values Workshop and was carried out in previous years under the motto “Count me in”. As part of this project, a team of 75 employees, which consisted of executives, team leaders and experts, received leadership and coaching training. Under this project, a full-day communication training program was also organized for all blue-collar employees.

Thanks to Aster Academy, we have transformed leadership training into a long-term program in order to train the leaders who will carry our Company into the future and to support their managerial skills.



HEALTH AND WELFARE

EMPLOYEE TRAINING AND DEVELOPMENT

**WE HAVE DEVELOPED A “NEW GRADUATE PROGRAM” TO TRAIN YOUNG TALENTS JOINING THE WORKING LIFE AT ASTER WHO HAVE JUST COMPLETED THEIR EDUCATION AND HAVE THE DESIRE AND DETERMINATION TO LEARN.**



With the Internal Coaching Program, we train our emerging leaders who will accompany and guide our employees to add value to their current position and make a difference on their career journey. While striving to increase the number of internal coaches, we manage the process with monthly experience sharing meetings.

**Aster Academy - New Graduate Program:**

We have developed a “New Graduate Program” to train young talents joining the working life at Aster who have just completed their education and have the desire and determination to learn.

**New graduate hires go through orientation, internship, department selection, and a training process equipped with different training modules in their first year.**

With this program, we aim to ensure that the students we employ as new graduates are able to take responsibility for a job on their own and fill our expertise positions within a one-year period.

New graduate hires go through orientation, internship, department selection and a training process equipped with different training modules in their first year. We aim to increase their technical knowledge and skills with the vocational trainings they receive from our internal trainers.

In addition, we support our employees within the scope of the agreements we have made with some private universities in order to encourage them to pursue a Master’s degree.

**2-Month Internship and Department Selection**

- 1<sup>st</sup> Week**  
Aster General Introduction  
Occupational Safety  
In-House Systems
- 2<sup>nd</sup> Week**  
Marketing/Design
- 3<sup>rd</sup> Week**  
Production Planning
- 4<sup>th</sup> Week**  
Procurement
- 5<sup>th</sup> Week**  
Production/Factory
- 6<sup>th</sup> Week**  
Quality Assurance
- 7<sup>th</sup> Week**  
Process Development
- 8<sup>th</sup> Week**  
Presentation and Department Selection

**WAGE SYSTEM AND CAREER PLANNING FOR THE BLUE-COLLAR**

Within the scope of the training and support program we have developed for our blue-collar employees to improve their technical skills and competencies, we organize machine and operation training programs where our employees can improve their

**Within the scope of the training and support program we have developed for our blue-collar employees to improve their technical skills and competencies, we organize machine and operation training programs where our employees can improve their technical skills and competencies throughout the year.**

**9-Month Training Program**

- 1<sup>st</sup> Month**  
Marketing/Design
- 2<sup>nd</sup> Month**  
ERP System Usage and Excel
- 3<sup>rd</sup> Month**  
Fabric and Testing Processes
- 4<sup>th</sup> Month**  
Cost
- 5<sup>th</sup> Month**  
Pattern Making
- 6<sup>th</sup> Month**  
Printing/Embroidery
- 7<sup>th</sup> Month**  
In-House Mail Usage
- 8<sup>th</sup> Month**  
Communication
- 9<sup>th</sup> Month**  
Teamwork

technical skills and competencies throughout the year. After the training, our employees are able to plan their career paths more easily thanks to this program, which is also regularly measured and evaluated with a system based on a competency matrix. Furthermore, we add a Career Bonus to the basic salary based on the skills acquired through the performance evaluation system.



HEALTH AND WELFARE

EMPLOYEE PARTICIPATION AND SATISFACTION



We pay attention to creating and improving suitable environments for our employees to have a say and participate in all processes within the company.

We take the opinions and suggestions of our employees on working processes and working life through a practice called Great Idea. At the same time, we adopt an open-door policy which gives our employees the opportunity to convey all their demands, requests, suggestions and opinions to the human resources department.



**We take the opinions and suggestions of our employees on working processes and working life through a practice called Great Idea.**

We organize various activities through social responsibility clubs and volunteering teams to give our employees the opportunity to spend more time with each other and to get to know each other more closely, which we believe will keep their motivation high.

We would like to leave a world that is liveable for the next generations, and this is a crucial part of our corporate citizenship approach. In this regard, we carry out various projects to protect our natural resources and minimize our environmental impacts. We also organize trainings for our employees and their families in order to raise environmental awareness.

OCCUPATIONAL HEALTH AND SAFETY

**WHAT LIES IN THE BASIS OF OUR OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT APPROACH IS TO IDENTIFY PROACTIVE BEHAVIOUR AND RISKS IN ADVANCE AND TAKE ANY NECESSARY PRECAUTIONS.**

As one of its top sustainability priorities, Aster Group strives to create a safe and healthy working environment for employees and minimize the possibility of any accident. What lies in the basis of our occupational health and safety management approach is to identify proactive behaviour and risks in advance and take any necessary precautions. The Board of Directors is the decision-making body on issues related to occupational safety and health. Aster actively fosters a health and safety culture across the organization. Increasing the level of employee awareness on OHS issues is of the utmost importance at Aster.

Expertly trained occupational safety professionals working at our operation centres conduct risk assessment studies regularly on machine safety, process safety, emergency management, and chemical management. We create occupational health and safety work plans, in the light of risk analysis findings, internal audits, and feedback from our employees. Occupational safety work plans are reviewed by the internal occupational health and safety boards, which are established separately at each Aster facility, and submitted to relevant bodies for approval. The occupational health and safety

**Our OHS Policy**

We consider our people as the essential asset in all our activities. Our primary working goal is to minimize incidents and constantly improve our conditions in order to maintain a healthy and safe working environment.

In our company, all kinds of precautions are taken to ensure occupational health and safety. A wide range of tools and equipment are made available for this purpose.

In order to create a healthy and safe working environment;

- Conducting its business activities in accordance with internationally accepted standards and legal and regulatory requirements on Occupational Health and Safety,
- Taking necessary precautions by proactively identifying risks in the current working environment,
- Planning and implementing activities to ensure continuous improvement in the current work environment,
- Raising awareness among all its employees and business partners on relevant Health and Safety topics and making them more competent stakeholders in that area.
- All employees are provided with "Occupational Health and Safety" training upon the beginning of their employment and annually.
- The health and safety practices are reviewed, and the areas open to improvement are detected monthly together with the Occupational Health and Safety Committee.

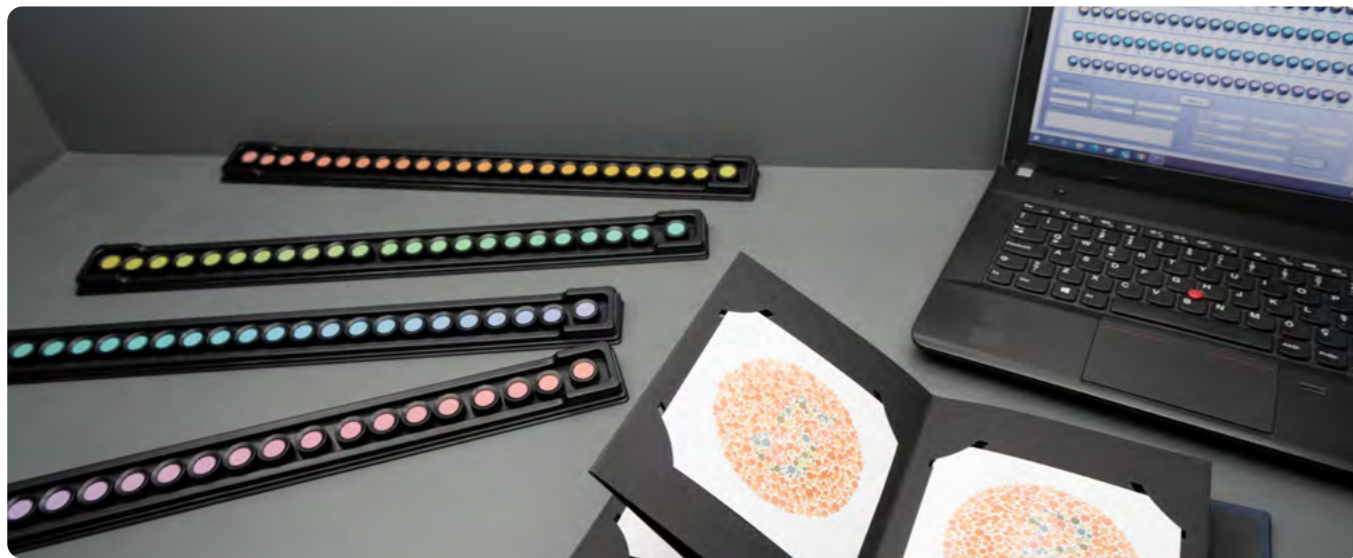
Current occupational health and safety topics, information and public sentiment are reviewed and respected. The development of the occupational health and safety culture and the improvement of the standards are ensured in cooperation with all stakeholders.



HEALTH AND WELFARE

OCCUPATIONAL HEALTH AND SAFETY

**WE REVIEW AND ASSESS OUR PERFORMANCE ON OCCUPATIONAL HEALTH AND SAFETY DURING OUR OCCUPATIONAL HEALTH AND SAFETY BOARD MEETINGS.**



board convene monthly with the participation of the occupational safety specialist, workplace physician, production team leaders, worker representatives, human resources manager, and factory director.

Our employees go through periodical health check-ups conducted by our workplace doctors. In addition, we hold

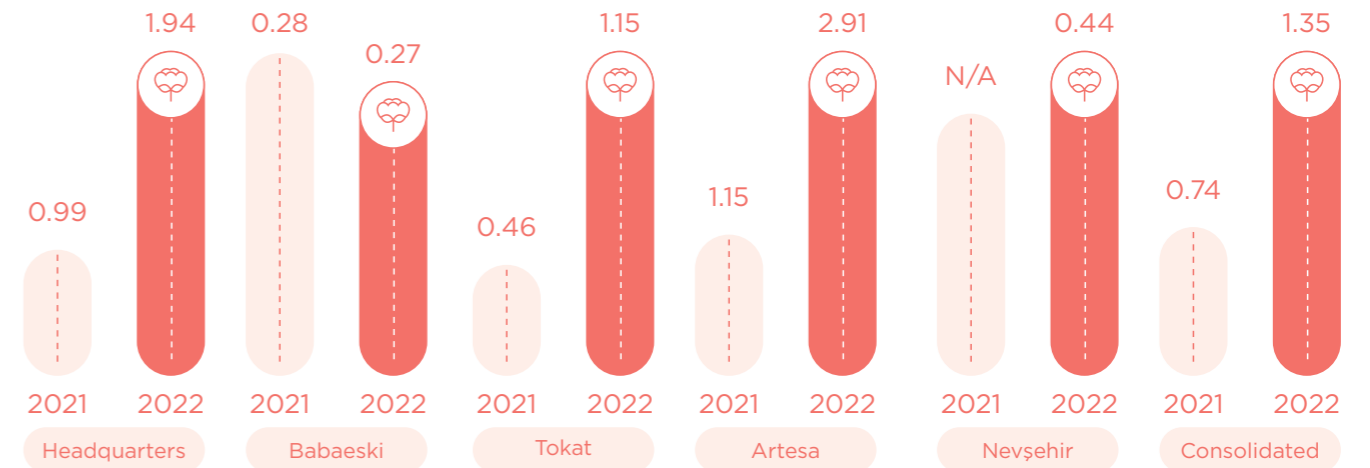
**Our employees go through periodical health check-ups conducted by our workplace doctors. In addition, we hold various types of training and seminars throughout the year to raise awareness of our employees on health and related topics.**

various types of training and seminars throughout the year to raise awareness of our employees on health and related topics.

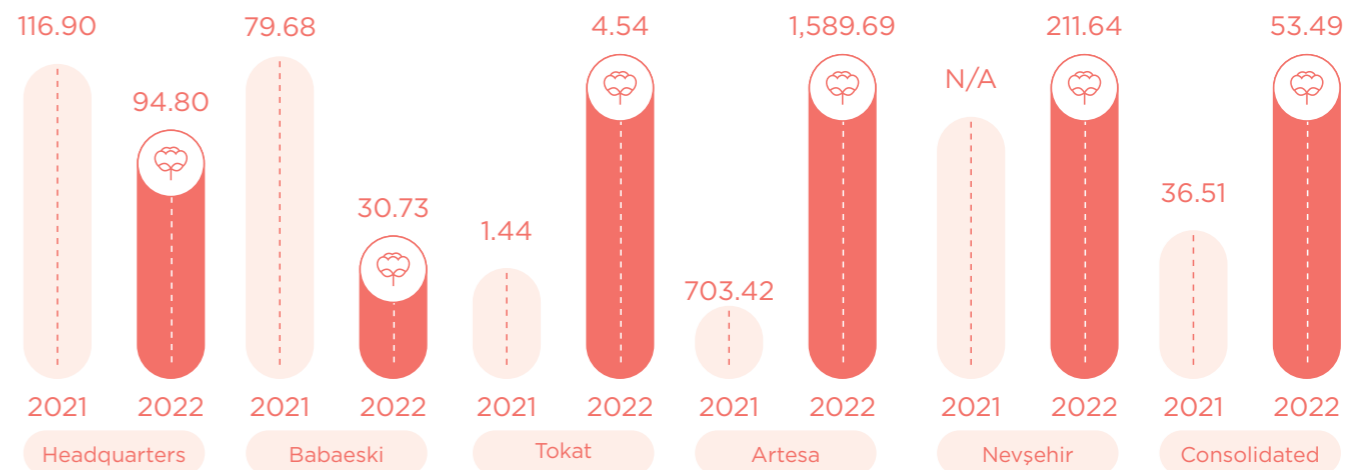
We review and assess our performance on occupational health and safety during our Occupational Health and Safety Board meetings. In this sense, accident frequency rates and occupational safety trainings are among our most important performance indicators.

No major accident occurred during the reporting period.

FREQUENCY OF INJURY



INCIDENT RATE





HEALTH AND WELFARE

LOCAL COMMUNITY RELATIONS AND EMPLOYMENT

**WE CONSIDER OUR PRODUCTION FACILITIES NOT ONLY AS A FACTORY BUT ALSO AS A LIVING-DEVELOPING AND IMPROVING CENTRE THAT IS SENSITIVE TO ITS ENVIRONMENT WITH A LOW CARBON FOOTPRINT.**

As Aster Textile, we are aware that our production facilities are the primary areas where we are closer to and touch the environment, local employment, and the vast majority of our employees. For this reason, we consider our production facilities not only as a factory but also as a living-developing and improving centre that is sensitive to its environment with a low carbon footprint, and we strive to make them an exemplary and decent working environment that contributes to the region where it is located.

Our facilities reach out to different geographies and cultures, such as Istanbul-Esenyurt, Tokat-Erbaa, Kırklareli-Babaeski, Tekirdağ-Cerkezköy, Nevşehir-Hacıbektaş, Serbia-Niš, making our efforts and goals even more meaningful for us in this sense.

In our production facilities, in line with our commitments to “Responsible Production”, “Decent Work and Economic Growth”, we designate our main focal points as follows:

- **Decent Working Environment:** To make our facilities a recognized and exemplary working environment that contributes to the region.
- **Responsible production:** To reduce the consumption of energy and natural resources with a low carbon footprint approach; to minimize the impact on the environment by keeping our outputs under control in waste, wastewater, and air emissions.



**In all our factories in Turkey and Serbia, the employment rate of local people is over 90%.**

- **Strong local collaborations:** To create opportunities for employment, training, new investments, and R&D in cooperation with educational institutions and local administrations.
- **Contribution to Local Communities:** To touch the lives of people in the local communities where we operate through vocational trainings and social investment projects.
- **Employee Volunteering and Social Responsibility Projects:** To respond to communal needs, backed by the strength of the Aster Foundation, through the Foundation’s investments and the contributions of our employees.

In all our factories in Turkey and Serbia, the employment rate of local people is over 90%.

While determining our social responsibility projects and areas of development, we meet with local stakeholders on issues such as Environmental Awareness, Health, Education, Waste Management and Recycling, take their opinions into account, and take care to design regional projects together.

We try to include not only our employees but also their children in awareness trainings.

Likewise, through the power of the Aster Foundation, we make the educational support we provide accessible not only to our employees but also to the people living in our region.



## HEALTH AND WELFARE

CORPORATE SOCIAL  
RESPONSIBILITY

**WE ATTACH GREAT IMPORTANCE TO PROVIDING SOCIAL BENEFIT AND SUPPORTING SOCIAL DEVELOPMENT WITH OUR ACTIVITIES COVERING ALL SEGMENTS OF SOCIETY IN THE FIELDS OF CULTURE AND ARTS, EDUCATION, AND ENVIRONMENTAL RESPONSIBILITY.**

As Aster Textile, not only do we contribute to economic development and prosperity through our activities, but we also increase the social value we generate through proactive steps we take with the awareness of corporate citizenship. In addition to our pioneering sustainability initiatives, we also attach great importance to providing social benefit and supporting social development with our activities covering all segments of society in the fields of culture and arts, education, and environmental responsibility. We actively involve our stakeholders in our corporate social responsibility processes in order to maximize the output generated by the projects we develop in line with our Company's mission, values, and strategic goals.

When planning our investments, we also take responsible investment principles into consideration. We also plan to improve our collaboration with social initiatives concerning our industry and civil society groups



*Aster encourages volunteer efforts with its Volunteer Team ElVerSen in many areas, including the arts, healthcare, animal rights, the environment, and human rights.*

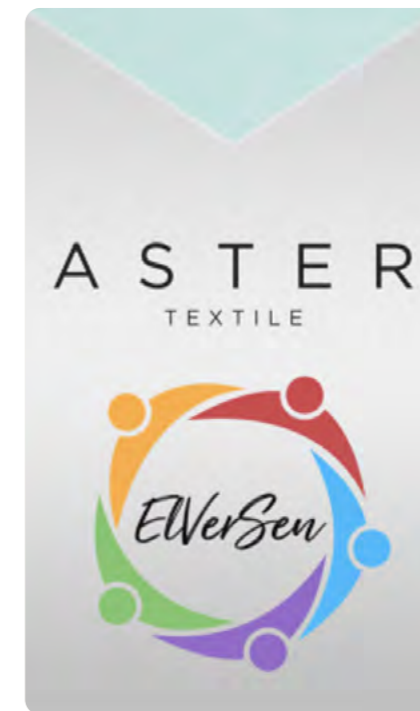
together with our stakeholders in the upcoming period. Also, in the upcoming period, we aim to continue our support for social responsibility projects our employees are carrying out through our social clubs and to increase these projects' scope and effects.

We want to put long-term social improvement projects into practice through the Aster Foundation we founded in 2014. In this context, we have been touching the lives of many students and their families through scholarships granted to needy students throughout their education life.

Our contributions to education are not limited to scholarships. In 2017, we built the Birsen Koçali Alish Primary School in the Arpaçay district of Kars province. The school consists of classrooms, a kindergarten, a library, a cafeteria, and a teacher's lodging. We regularly get together with the children and hold various activities with the Aster team and our General Manager.

In order to ensure that our industry has qualified human resources, we cooperate with educational institutions in various projects to promote our students' knowledge and background in this field. We aim to attract the young generation to our Company and our industry as part of our internship programs and our cooperation with schools on topics such as technical competence and adaptation to professional life. Within this framework, we created a training program called "3+1" in cooperation with vocational higher education schools. As part of this program, we give students the opportunity to attend full-time internship programs at our company during one term of their last year at school.

In 2021 and 2022, we organized different activities, such as Sustainability Trainings, Circular Business Model Applications in the Textile Sector, projects, and



collaborations, for university students in cooperation with ITU, Aydın University, Lüleburgaz Vocational School of Higher Education, Erbaa Vocational School of Higher Education.

Aster encourages volunteer efforts with its Volunteer Team ElVerSen in many areas, including the arts, healthcare, animal rights, the environment, and human rights.

We cooperate with our country's leading civil society organizations which carry out efforts on these issues. We have established various collaborations with different foundations and associations, such as UNICEF, LÖSEV, Tohum Autism, Koruncuk Foundation, and Cancer Fighters Association.

In all initiatives we will develop in the coming period, we aim to act with the awareness of our wide stakeholder universe and our responsibility towards nature.



OUR RESPONSIBILITY TO THE ENVIRONMENT

ENVIRONMENTAL MANAGEMENT AND OUR FIGHT AGAINST CLIMATE CHANGE



Recognizing that the efficient management of our natural resources is of critical importance for sustainable development, we always take into account our responsibility for the protection and efficient use of natural resources while preparing our strategic plans. Identifying environmental risks and the protection of natural resources is the basis of our environmental approach.

Aster fully complies with all national and international legislation and regulations on environmental protection and strives to be an exemplary organization in the sector by managing environmental aspects in an integrated manner. With our good practices, we hope to go beyond the expectations for our future.

When planning our investments, we evaluate our environmental impacts, and we prefer to employ eco-friendly technologies.

We try to form ties with business partners, suppliers and sub-contractors who share similar views with us on environmental management. For this reason, we implement an eco-friendly purchasing policy. From the raw materials used in production to the materials to be used in packaging, we purchase recyclable, reusable or recycled materials.

**Our Environmental Policy**

We always fully comply with all national and international legal legislation related to environmental protection.

We work with all our strength to be an exemplary organization in our sector by managing our activities within an environmental management system based on continuous improvement in line with the following principles:

- Passing a clean and healthy environment sensitive to climate change to future generations,
- Engaging in efficient use of energy and natural resources,
- Acting with the goal of zero waste by continuously researching and developing the reuse possibilities of waste within the scope of the circular business model,
- Opting for environmentally friendly technologies by evaluating the environmental impact in investment plans,
  - Reducing negative environmental impacts in all business processes, from the design stage to the products' end-use date,
- Prioritizing climate change and sustainability in all its business activities,
- Increasing environmental awareness among employees and the larger community.

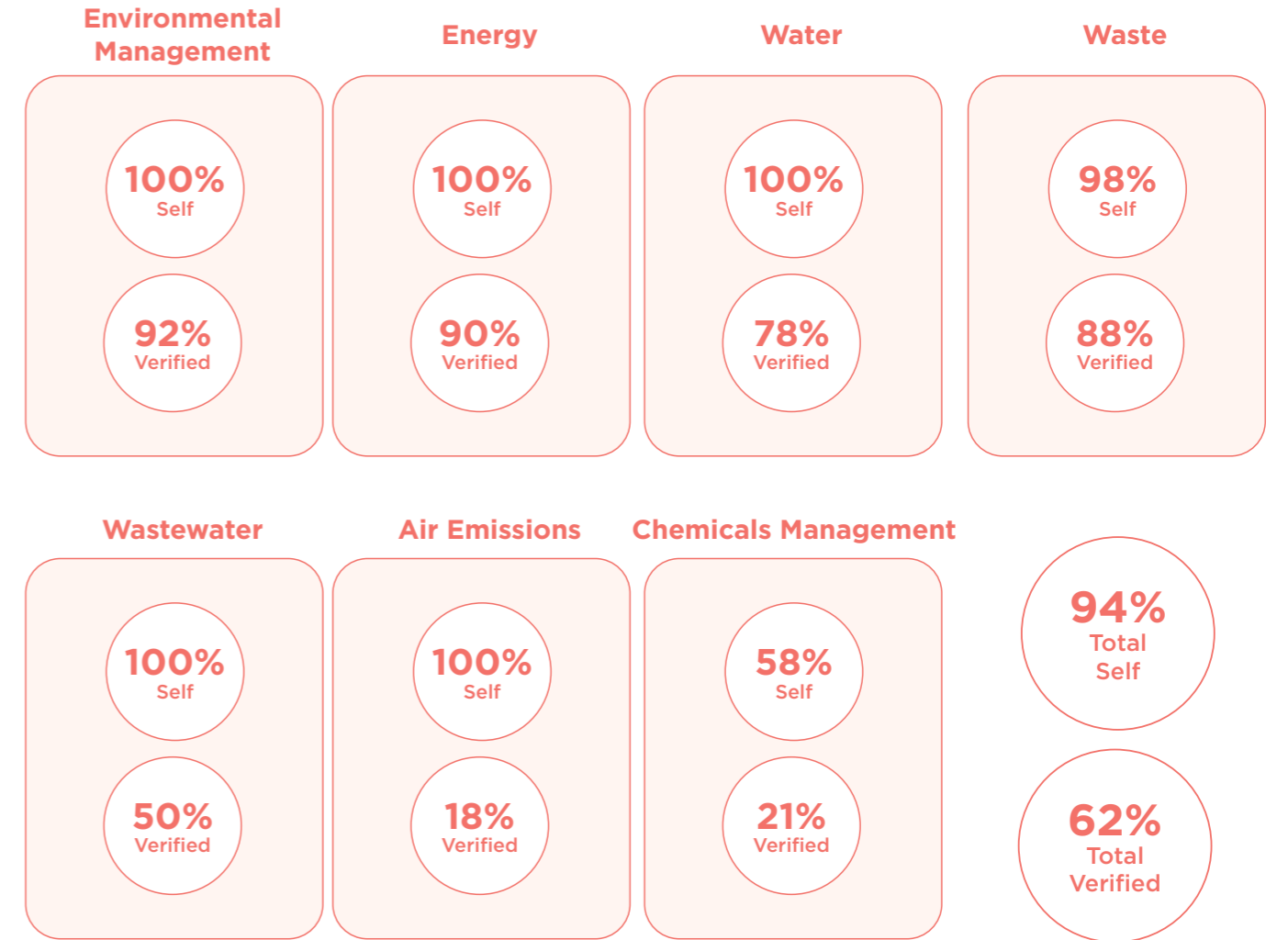
We created our Environmental Management System in order to systematically follow our strategy, targets, and activities and to implement these practices simultaneously at our facilities. In line with our environmental management program, we set our 3-year targets and regularly evaluate our activities to ensure progress towards these targets. We manage our processes through monthly environmental activity reports, internal audits, and annual Management Review meetings.

In line with our sustainability strategy, we have been working to reduce the carbon footprint at our facilities. These efforts are aimed at changing consumption patterns both in our professional and private lives, thereby reducing individual and institutional carbon footprints.

As Aster Textile, we are a member of the Higg Index as manufacturer, which was developed by the Sustainable Apparel Coalition to accurately measure and score a company or product's sustainability performance. Implementing the Facility Environmental Module (Higg FEM) of this index within our corporation, we identify areas of improvement. We create action plans, review them periodically, and share the results with our business partners regularly.

Higg FEM	2020	2021	2022
All Locations Average Score After Verification	21.3	41.87	61.82

Covered Subcategories



OUR RESPONSIBILITY TO THE ENVIRONMENT

EMISSION AND ENERGY MANAGEMENT

**IN 2022, WE PARTICIPATED IN THE UNGC CLIMATE AMBITION ACCELERATOR PROGRAM, AND WE CAME ONE STEP CLOSER TO OUR GOAL BY STRENGTHENING OUR INFRASTRUCTURE TO SIGN THE SCIENCE-BASED TARGETS INITIATIVE (SBTi) COMMITMENT.**



At Aster Group of Companies, we prioritize managing the direct impact of our operations in line with our sustainability strategies, national legislation, and international best practices, which we take as references. In order to enhance our contribution to the fight against climate change, we take action to reduce the emissions caused by the energy we consume.

We have been supplying all of the electrical energy as I-REC-certified renewable energy in our garment facilities since 2021 and in Artesa

**We have been supplying all of the electrical energy as I-REC-certified renewable energy in our garment facilities since 2021 and in Artesa Fabric knitting and dyeing facilities since 2022. Thanks to this, we reduced our Scope-2 emissions to zero and our total carbon emissions by approximately 50%.**



Fabric knitting and dyeing facilities since 2022. Thanks to this, we reduced our Scope-2 emissions to zero and our total carbon emissions by approximately 50%.

In 2022, we completed the legal processes related to the installation of SPPs at our production facilities and received the project approval. We plan to complete the installation of rooftop SPPs in suitable locations and commission them in the first half of 2023.

In 2022, we participated in the UNGC Climate Ambition Accelerator program and consolidated our infrastructure to sign the Scientifically Based Targets Initiative (SBTi) commitment, bringing us one step closer to this goal. We plan to set an appropriate date for net zero by signing the SBTi commitment in 2023.

We constantly monitor our energy consumption and strive to reduce it through projects and investments we have developed in many areas such as digitalization of processes, selection of low-energy machines, use of heat and steam recovery systems, LED lighting, eco-factory projects, and awareness trainings.

Thanks to our investments in heat and vapor recovery systems in stenters and dryers;

- The heat released in the process is used to heat the fresh air taken into the dryer.
- Plate-type layered heat exchangers increase drying capacity, reduce drying time, and save energy.
- With the electrostatic filter, chimney emissions are minimized, and odour is prevented.



**Thanks to the reuse of cooling water, we save an average of 30% on energy consumption and costs by using intake water of 45°C instead of 15°C for a process that needs to reach 90°C.**

In Artesa, we feed our machines from different pools in our dyeing and washing processes. Thus, thanks to the reuse of cooling water, we save an average of 30% on energy consumption and costs by using intake water of 45°C instead of 15°C for a process that needs to reach 90°C.

Thanks to eco-factory projects;

- Natural Lighting and LED lighting is used,
- The devices with inverter system are selected, servo motors are used, and air leakage is prevented,
- We save energy with infrared sensor applications,
- Awareness trainings ensure that savings measures and solutions are internalized both at work and in our daily lives.

In addition to processes such as printing and stain removal, we also create inventories to manage our air emission processes in our fabric and dye factories and measure VOC and combustion gases at our chimney and emission exit points. In addition, we keep our emission sources under control by using the most appropriate and state-of-the-art filtration systems.

We do not use prohibited air conditioning gases in our cooling systems, but we prefer the use of gases such as R-32 with the lowest GWP factor.



OUR RESPONSIBILITY TO THE ENVIRONMENT

WATER MANAGEMENT

**AS ASTER TEXTILE, WE CLOSELY FOLLOW OUR WATER CONSUMPTION LEVELS AND WE IMPLEMENT MEASURES TO REDUCE THEM.**

Access to clean water is among today's global critical issues. All industrial organizations should be aware of this and consider water efficiency among their most important agenda items.

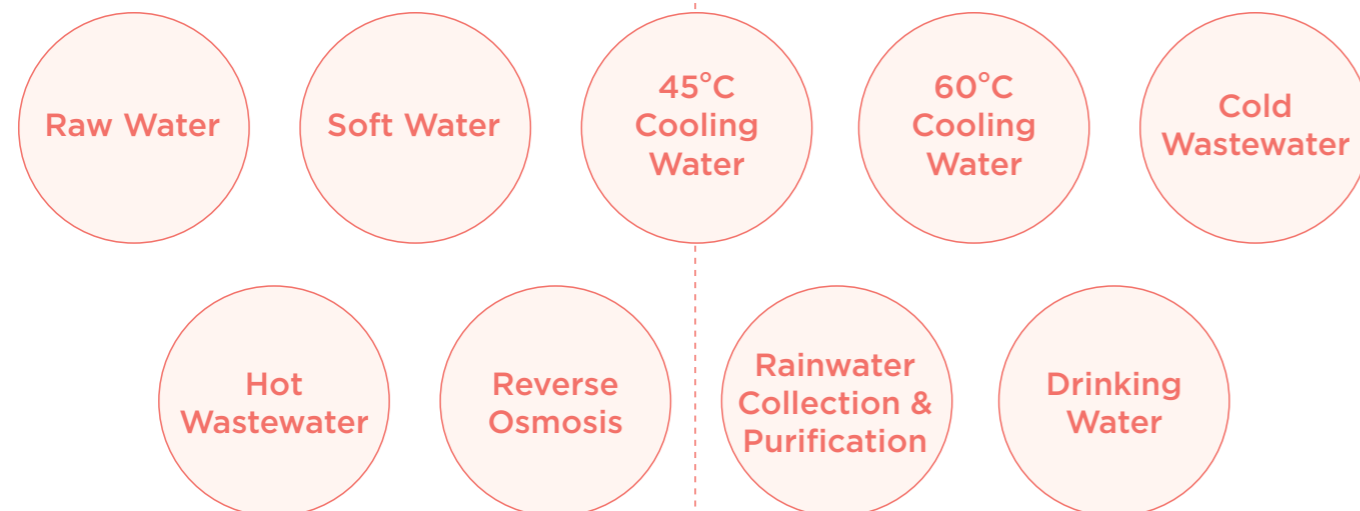
As Aster Textile, we closely follow our water consumption levels and we implement measures to reduce. In Artesa, we feed our machines from different pools in our dyeing



and washing processes. In this way, we can save water up to 30% to 40% by reusing cooling water.

In this context, in 2022, we made investments for water reuse and heat recovery by creating special pools, each 200 tons in size, around the plant.

Water Recovery Systems



Thanks to our investments in heat and vapor recovery systems in stenters and dryers;

- Scrubbers cool the air in the filtering section while simultaneously removing oil and other particles from the air. The oil skimmer, on the other hand, removes these particles from the wastewater and disposes of them separately.
- Thanks to this system, the amount of wastewater generated from steam recovery does not exceed 1 m<sup>3</sup> per week.

In our printing facility, the wastewater generated in the mold washing process is treated in our purification unit and reused.



We discharge our wastewater generated in our facilities in accordance with the standards specified in the legislation. Although our waste goes to an external treatment plant at all our plants, we periodically check the quality of our wastewater at our own factory discharges.

- Thanks to eco-factory projects;
- Water resources are monitored and isolated, and leakages are prevented,
  - Water saving kits are used,
  - Awareness trainings ensure that savings measures and solutions are internalized both at work and in our daily lives.

OUR RESPONSIBILITY TO THE ENVIRONMENT

MATERIAL AND WASTE MANAGEMENT

IN LINE WITH OUR ZERO-WASTE POLICY, WE PLAN APPLICABLE AND SUSTAINABLE PROJECTS AIMING AT RECYCLING AND REGAINING WASTE MATERIAL EVERY YEAR.

The fact that waste is a national asset and its reduction, proper sorting, and collection constitute the main awareness we focus on under this heading. We implement a waste management system at our facilities which is based on source separation. In line with our zero-waste policy, we plan applicable and sustainable projects aiming at recycling and regaining waste material every year.

We have established a trackable system by closely monitoring our waste material amounts. We send our waste material to recycling facilities that have permission and documents required by legal regulations.

In addition, eliminating disposable plastics from our lives, both within the company and in our daily lives, is one of the issues we care about the most. We support our trainings with visual and specific projects and campaigns, we and encourage our volunteer teams to produce projects on this issue.



One of the main goals of our sustainability strategy is to focus on the use of low-impact material.

Unlike the linear economy model we are familiar with, the circular economy is a new production model in which resource productivity and environmental benefit are at the maximum level. As Aster Textile, we adopted this new model which is based on sustainability and innovation, and we are integrating it within our strategies.

One of the main goals of our sustainability strategy is to focus on the use of low-impact material. In this context, we cooperated with companies with regenerated cotton yarn production and recycled yarn infrastructure in order to process our fabric waste correctly, to remove them from waste status and allow this waste to become the raw material of fabric production. Thanks to these practices, Aster Textile's fabric waste is turned into high-quality yarn and fabric and is included in our production processes to be used in our collections. In this way, we contribute to our target of using low impact materials and our sustainable product collections.

By recycling approximately 225 tons of cotton waste every year we save a total amount of 2,250,000 m<sup>3</sup> of water, which would otherwise be used to produce this amount of fabric.

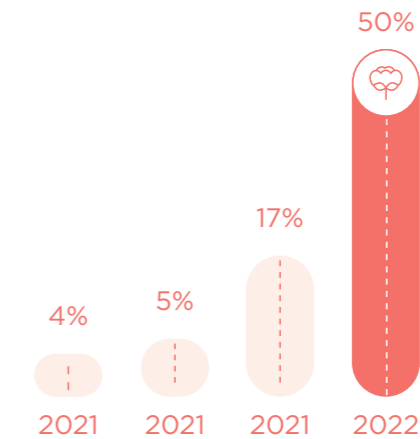
We are able to present our collections of verifiable and traceable fabric and product collections as a whole and with logo usage rights to our customers, through our certifications in all our production facilities and processes such as embroidery, printing, and washing. The certificates we hold on sustainable fabric and product collections are:

- GRS - Global Recycled Standard
- RCS - Recycled Claim Standard
- OCS - Organic Content Standard
- GOTS - Global Organic Textile Standard
- RegenAgri - Regenerative Cotton

We have been using a wide variety of fabrics with sustainable materials, such as ReFibra, TOC, FSC Viscose, EcoVero, Recycled PES, Unifi, BCI, as well as our special R&D and collection studies, such as vegan dyeing and chemical selection that reduces water and energy consumption.

**Aster Second Life Movement**  
At Aster Group of Companies, we have been already recycling all of our waste. By reducing the recycling rate, we aim to develop more closed-loop projects through

Ratio of Orders with Certified Sustainable Materials\*



\* GOTS, OCS, GRS, RCS, RegenAgri, EcoVero, FSC, etc.



projects and collaborations within the scope of Aster Second Life, thereby increasing the conversion rate of waste into our own collections and high-value-added textile materials.

Our circular business model Aster Second Life Movement emerged with the idea of producing projects that will give our textile waste a second chance. As part of the continuation of our Aster Second Life© project, in which we transformed our business model from a linear to a circular one by analysing our processes, we established local and global collaborations and intensified our R&D efforts. In this context, we closely follow innovative materials and technologies and develop collaborations to improve the quality and diversity of the fabrics we recover from waste.

We share the experience and methodologies we have acquired in this process with academia and industry stakeholders through national and international congresses as scientific articles and best practices.

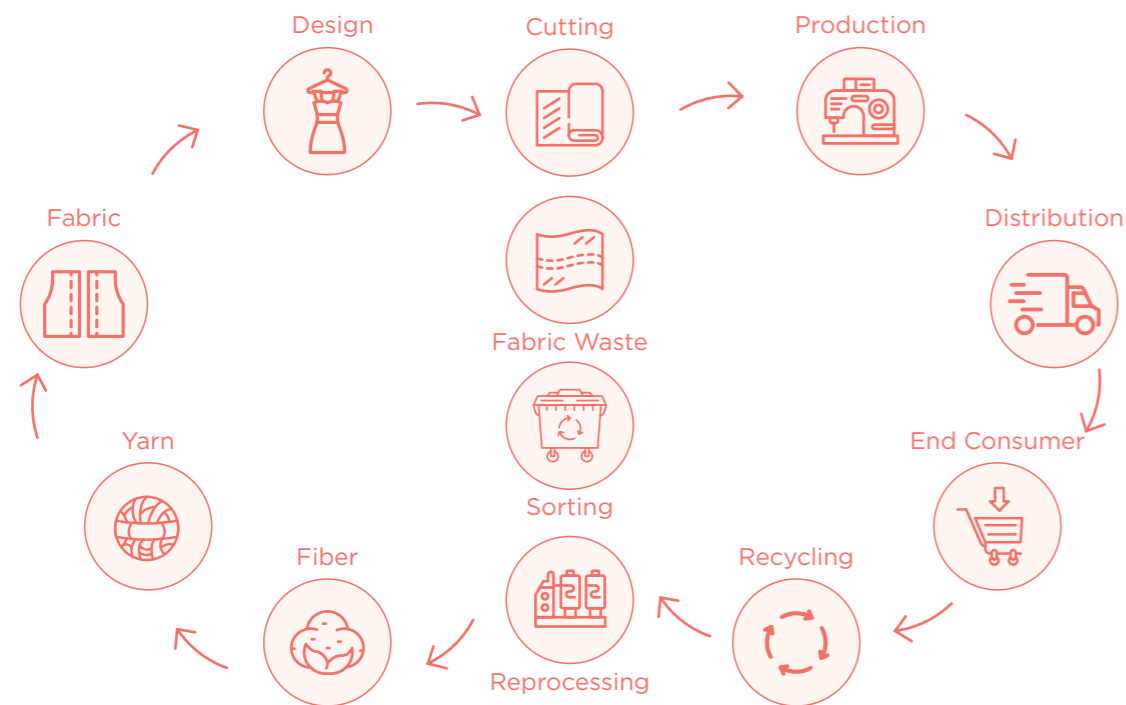
Our annual fabric waste was 671 tons in 2021 and 797 tons in 2022. Within the scope of the Aster Second Life Circular Business Model, all of the waste we sort on the basis of colour and fabric is recycled, and we reuse a significant portion of our waste as fabric or accessories in our collections through various collaborations and



OUR RESPONSIBILITY TO THE ENVIRONMENT

MATERIAL AND WASTE MANAGEMENT

**AS PART OF THE CONTINUATION OF OUR ASTER SECOND LIFE© PROJECT, IN WHICH WE TRANSFORMED OUR BUSINESS MODEL FROM A LINEAR TO A CIRCULAR ONE BY ANALYSING OUR PROCESSES, WE ESTABLISHED LOCAL AND GLOBAL COLLABORATIONS AND INTENSIFIED OUR R&D EFFORTS.**



projects under Second Life. In this context, 125 tons of cotton waste in 2021 and 225 tons in 2022 were revived in our collections.

Our fabric waste is mostly generated as marking waste during the cutting process. In studies carried out to reduce the amount of waste,

- The Gerber Accumark and PDS software versions were updated by making investments. In this way, errors at many points, such as marking placement, fabric and colour management in cutting, were minimized, while improving fabric consumption with the increased precise and accurate marking placement ratio.
- Access to the current marking on the laying tables and their visual control were achieved with projection and laser equipment by connecting to the system via the cloud. Therefore, it



**Within the scope of the Aster Second Life Circular Business Model, all of the waste we sort on the basis of colour and fabric is recycled, and we reuse a significant portion of our waste as fabric or accessories in our collections through various collaborations and projects under Second Life.**

was aimed to manage fabric waste and reduce related fabric consumption.

- Likewise, we strive to minimize errors, increase the precision and accuracy of the user and related control points, and improve process efficiency by digitizing the processes used in cutting and developing patented systems thanks to the R&D and production efforts of our own IT team.

ANNEXES

CORPORATE MEMBERSHIPS AND INITIATIVES SIGNED



United Nations Global Compact (UNGC)



Women's Empowerment Principles (WEPs)



Turkish Industrialists and Businessmen Association (TUSIAD)



Istanbul Textile and Apparel Exporters' Association (İTKİB)



Family Business Association (TAIDER)

ECONOMIC PERFORMANCE INDICATORS

Financial Indicators for the Last Three Years (EUR Million)	2020	2021	2022
Total Assets	123.5	136.8	207.3
Total Equity	32.8	44.1	88.1
Net Sales	72.5	96.9	160.5
Total Exports	63.9	84.3	141.7
Total Investments	3.6	17.9	15.3
Gross Profit	21.0	28.6	51.2





## ANNEXES

SOCIAL PERFORMANCE  
INDICATORS

Total Number of Employees by Regions	Employment Contract	2021		2022	
		Male	Female	Male	Female
Istanbul	Permanent	341	253	327	267
	Temporary	0	0	0	0
Tokat	Permanent	285	364	341	420
	Temporary	0	0	1	0
Kırklareli	Permanent	174	408	171	429
	Temporary	4	1		
Artesa	Permanent	200	48	268	60
	Temporary			2	1
Nevşehir	Permanent	73	154	71	154
	Temporary	0	0	0	0
Niş/ Serbia	Permanent	58	444	49	412
	Temporary	14	122	9	78
<b>TOTAL</b>	<b>Permanent</b>	<b>1,131</b>	<b>1,671</b>	<b>1,227</b>	<b>1,742</b>
	<b>Temporary</b>	<b>18</b>	<b>123</b>	<b>12</b>	<b>79</b>
	<b>Female/Male Breakdown</b>	<b>1,149</b>	<b>1,794</b>	<b>1,239</b>	<b>1,821</b>
<b>GRAND TOTAL</b>	<b>Female Ratio</b>	<b>61%</b>		<b>60%</b>	
	<b>Total</b>	<b>2,943</b>		<b>3,060</b>	

Total Number of Employees by Employment Contract, Type of Employment and Gender	2021		2022		
	Male	Female	Male	Female	
By Employment Contract	Permanent	1,131	1,671	1,227	1,742
	Temporary	18	123	12	79
Type of Employment	Full-time	1,149	1,794	1,239	1,821
	Part-time	-	-	-	-

Employees Covered by Collective Bargaining Agreements	2021	2022
Turkey	-	-
Serbia	-	-

Gender Breakdown per Employee Category	2021				2022				
	Male	Female	Total	%	Male	Female	Total	%	
Turkey	Senior Management	8	8	16	50	11	11	22	50
	Middle Management	45	43	88	49	52	38	90	42
	Lower Management	79	27	106	25	71	31	102	30
	White Collar	97	161	258	62	98	179	277	65
	Blue Collar	811	987	1,798	55	943	1,066	2,009	53
Serbia	Other	37	2	39	5	6	6	12	50
	Senior Management	1	0	1		1	0	1	
	Middle Management	5	11	16	69	3	8	11	73
	Lower Management		4	4	100	3	5	8	63
	White Collar	1	21	22	95	2	27	29	93
Blue Collar	65	530	595	89	48	450	498	90	
Other	0	0	0		1	0	1		

	Headquarters		Babaeski		Tokat		Artesa		Nevşehir		Consolidated	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Number of SSI Reported												
Accidents	11	22	3	3	5	13	15	33	N/A	5	34	76.00
Number of Reported Days	68	70	55	23	1	4	218	665	N/A	60	342	822.00
Number of Days Worked	247	252	234	247	243	252	291	252	N/A	252	1,015	1,255.00
Total Employees	471	586	590	606	572	700	213	332	N/A	225	1,846	2,449.00
Frequency of Injury	0.99	1.94	0.28	0.27	0.46	1.15	1.15	2.91	N/A	0.44	0.74	1.35
Incident Rate	116.90	94.80	79.68	30.73	1.44	4.54	703.42	1,589.69	N/A	211.64	36.51	53.49

## ANNEXES

## ENVIRONMENTAL PERFORMANCE INDICATORS

Reporting principles:

- The greenhouse gas emissions data we provide in this report have been calculated within the scope of ISO 14064-1: "Measurement and Reporting of Greenhouse Gas Emissions" and GHG Protocols. For emission factors, GHG Protocol, IEA (International Energy Agency) and national legislation data and statistics were used.

- Scope 1:
  - Vehicle Fleet
  - Fuels used in facilities and buildings (Natural gas and biofuel)
  - Generators
  - Air conditioning and cooling system gases

- Scope 2:
  - Electricity consumption

- Since the Water Footprint inventory study is based on gate-to-gate approach, it only covers the water consumption of the facilities located within the operational limits. Supply chain processes are not included the scope of reporting.

**ASTER TEXTILE - TURKEY, ALL LOCATIONS**

Aster Textile	Unit	2020	2021	2022
Scope-1 Greenhouse Gas Emission	tCO <sub>2</sub> e	460.20	680.73	710.05
Scope -2 Greenhouse Gas Emission	tCO <sub>2</sub> e	1,250.47	105.00	404.78
Scope 1+2 Greenhouse Gas Emission	tCO <sub>2</sub> e	1,710.67	785.73	1,114.83
<b>Greenhouse Gas Emissions per Production Unit</b>	<b>kgCO<sub>2</sub>e</b>	<b>0.55</b>	<b>0.18</b>	<b>0.20</b>

**ARTESA FABRICS**

Artesa Fabrics	Unit	2020	2021	2022
Scope -1 Greenhouse Gas Emission	tCO <sub>2</sub> e	5,410.79	6,127.26	7,004.76
Scope -2 Greenhouse Gas Emission	tCO <sub>2</sub> e	2,243.75	2,553.93	0.00
Scope 1+2 Greenhouse Gas Emission	tCO <sub>2</sub> e	7,654.54	8,668.18	6,991.76
<b>Greenhouse Gas Emissions per Production (kg)</b>	<b>kgCO<sub>2</sub>e</b>	<b>2.02</b>	<b>2.47</b>	<b>1.71</b>

**ASTER TEXTILE - TURKEY, ALL LOCATIONS**

Consumption by Source	Unit	2021	2022
Mains Water	m <sup>3</sup>	33,113.00	32,743.00
Well Water	m <sup>3</sup>	1,100.00	666.00
Rainwater	m <sup>3</sup>	1,000.00	1,000.00
Treated Water	m <sup>3</sup>	404.00	333.00
<b>Consumptions</b>	<b>Unit</b>	<b>2021</b>	<b>2022</b>
General Consumption	m <sup>3</sup>	22,548.00	22,968.00
Steam Boiler	m <sup>3</sup>	3,987.00	3,284.00
Printing - Mold Washing	m <sup>3</sup>	1,813.00	1,744.00
Washing	m <sup>3</sup>	1,826.00	666.00
Watering	m <sup>3</sup>	3,222.00	3,779.00
Kitchen	m <sup>3</sup>	2,221.00	2,301.00
<b>Green Water Footprint</b>	<b>m<sup>3</sup>/ year</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>Blue Water Footprint</b>	<b>m<sup>3</sup>/ year</b>	<b>34,213.00</b>	<b>33,09.00</b>
<b>Total Water Footprint</b>	<b>m<sup>3</sup>/ year</b>	<b>35,213.00</b>	<b>34,409.00</b>
<b>Water Consumption Density per Production</b>	<b>lt/piece</b>	<b>8.10</b>	<b>6.09</b>

**ARTESA FABRICS**

Consumption by Source	Unit	2021	2022
Mains Water	m <sup>3</sup>	300,715.00	354,581.00
<b>Wastewater Sent to Treatment and Its Quality</b>			
Wastewater Amount	m <sup>3</sup>	266,798.00	327,663.00
Wastewater ZDHC Values			
Zinc	mg/L	0.009	0.039
Copper	mg/L	-	-
Nickel	mg/L	0.001	-
Lead	mg/L	-	0.001
Total Chromium	mg/L	0.004	0.003
<b>Blue Water Footprint</b>	<b>m<sup>3</sup>/ year</b>	<b>300,715.00</b>	<b>354,581.00</b>
<b>Gray Water Footprint</b>	<b>m<sup>3</sup>/ year</b>	<b>3,735.17</b>	<b>14,023.98</b>
<b>Total Water Footprint</b>	<b>m<sup>3</sup>/ year</b>	<b>304,450.17</b>	<b>368,604.98</b>
<b>Water Consumption Density per Production (kg)</b>	<b>lt/kg</b>	<b>85.76</b>	<b>86.76</b>



ANNEXES

ENVIRONMENTAL PERFORMANCE INDICATORS

**ASTER TEXTILE - TURKEY, ALL LOCATIONS**

<b>Non-Hazardous Waste</b>	<b>Unit</b>	<b>2021</b>	<b>2022</b>
Textile Waste	t	671.34	797.10
Paper - Cardboard	t	150.53	174.74
Plastic	t	40.49	48.62
Total	t	862.36	1,020.45
Recycle		737.00	794.67
Recycle Ratio	%	85%	78%
Upcycling Within the Scope of Second Life Projects		125.36	225.78
Second Life Ratio	%	15%	22%
<b>Hazardous Waste</b>			
Hazardous Waste	t	11.13	15.95
Energy Recovery	t	11.13	15.95
Energy Recovery Ratio	%	100%	100%

**ARTESA**

<b>Non-Hazardous Waste</b>	<b>Unit</b>	<b>2021</b>	<b>2022</b>
Textile Waste	t	170.20	182.97
Paper - Cardboard	t	114.38	64.94
Plastic	t	28.98	21.29
Total	t	313.56	269.20
Recycle		313.56	269.20
Recycle Ratio	%	100%	100%
<b>Hazardous Waste</b>			
Hazardous Waste	t	58.05	71.97
Energy Recovery	t	58.05	71.97
Energy Recovery Ratio	%	100%	100%

UNGC INDEX

<b>UNITED NATIONS GLOBAL COMPACT (UNGC) INDEX</b>		
	<b>Principles</b>	<b>References</b>
<b>HUMAN RIGHTS</b>	Principle 1: Businesses should support, and respect proclaimed human rights.	Our Supply Chain, pages 76-77 Our Human Resources Approach, pages 78-81 Employee Rights, 82 Occupational Health and Safety, 87-89 Corporate Social Responsibility, 92-93
	Principle 2: Businesses should not be complicit in human rights abuses.	The Aster Community, <a href="https://www.astertextile.com/en/the-aster-community">https://www.astertextile.com/en/the-aster-community</a> Human Health and Welfare, <a href="https://www.astertextile.com/en/sustainability/employee-health-and-welfare">https://www.astertextile.com/en/sustainability/employee-health-and-welfare</a>
<b>WORKING STANDARDS</b>	Principle 3: Businesses should support workers' freedom of association and collective bargaining.	Our Ethics and Compliance Efforts, page 58 Our Supply Chain, pages 76-77 Our Human Resources Approach, pages 78-81 Employee Rights, page 82 Employee Participation and Satisfaction, page 86
	Principle 4: End forced and compulsory labor.	
	Principle 5: All forms of child labor should be stopped.	The Aster Community, <a href="https://www.astertextile.com/en/the-aster-community">https://www.astertextile.com/en/the-aster-community</a>
<b>ENVIRONMENT</b>	Principle 6: Eliminate discrimination in recruitment and placement.	Human Health and Welfare, <a href="https://www.astertextile.com/en/sustainability/employee-health-and-welfare">https://www.astertextile.com/en/sustainability/employee-health-and-welfare</a>
	Principle 7: Businesses should support precautionary approaches to environmental problems.	Our Sustainability Approach, pages 44-48 Corporate Social Responsibility, pages 92-93 Environmental Management and Our Fight Against Climate Change, pages 94-95 Emission and Energy Management, pages 96-97 Water Management, pages 98-99 Material and Waste Management, pages 100-103
	Principle 8: It should support all kinds of activities and formations that will increase environmental responsibility.	Our Sustainability Approach, <a href="https://www.astertextile.com/en/sustainability/sustainability-approach">https://www.astertextile.com/en/sustainability/sustainability-approach</a> Responsible Management, Our Policies, Our Environmental Management Policy, <a href="https://www.astertextile.com/en/sustainability/responsible-management">https://www.astertextile.com/en/sustainability/responsible-management</a>
<b>ANTI BRIBERY</b>	Principle 9: Support the development and diffusion of environmentally friendly technologies.	Our Sensitivity to the Environment, <a href="https://www.astertextile.com/en/sustainability/environmental-awareness">https://www.astertextile.com/en/sustainability/environmental-awareness</a>
	Principle 10: Business should fight all forms of corruption, including bribery and extortion.	Our Ethics and Compliance Efforts, page 58 Combatting Bribery & Corruption, page 61 Our Supply Chain, pages 76-77

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WEPs INDEX

WOMEN'S EMPOWERMENT PRINCIPLES (WEPs) INDEX	
Principles	References
Principle 1: Create high-level corporate leadership for gender equality	Message from the Chairman and General Manager, page 16-17 Highlights of 2021 and 2022, pages 20-21 Our Sustainability Journey, pages 38-39 Our Sustainability Approach, pages 44-48 Employee Rights, page 82
Principle 2: Treat all people fairly at work, respecting and supporting non-discrimination and human rights	Our Ethics and Compliance Efforts, page 58 Our Human Resources Approach, pages 78-81 Employee Rights, page 82
Principle 3: Ensure the health, wellbeing and safety of all workers, whether male or female	Our Human Resources Approach, pages 78-81 Employee Rights, page 82 Occupational Health and Safety, pages 87-89
Principle 4: Promote education, training and professional development for women	Highlights of 2021 and 2022, pages 20-21 Employee Rights, 82 Employee Training and Development, pages 83-85
Principle 5: Implement supply chain, marketing practices and enterprise development that empower women	Our Sustainability Approach, pages 44-48 Our Supply Chain, pages 76-77
Principle 6: Champion equality through community initiatives and advocacy	Our Sustainability Journey, pages 38-39 Our Sustainability Approach, pages 44-48 Employee Rights, page 82
Principle 7: Measure and report publicly on progress to create gender equality	Message from the Chairman and General Manager, page 16-17 Our Sustainability Journey, pages 38-39 Our Sustainability Approach, pages 44-48

GRI CONTENT INDEX

"GRI Services reviewed that for the Content Index - Core Service, the GRI Content Index is presented in a clear and consistent manner with standards; and that the references to disclosures 2-1 to 2-5, 3-1 and 3-2 are consistent with the relevant sections of the report. This service has been conducted on the Turkish version of the report."

<b>"Statement of use"</b>	Aster Textile has reported the information cited in this GRI content index for the period 1 January 2021-31 December 2022 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Since the industry standard for the textile industry has not yet been prepared, no industry standard has been used.

GRI STANDARD	DISCLOSURE	LOCATION	
<b>GENERAL DISCLOSURES</b>			
<b>Organization and Reporting Applications</b>			
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	About the Report, page 14 Our Activity Geography, pages 34-35	
	2-2 Entities included in the organization's sustainability reporting	About the Report, page 14	
	2-3 Reporting period, frequency and contact point	About the Report, page 14 surdurulebilirlik@astertextile.com	
	2-4 Restatements of information	There is no restated statement.	
	2-5 External assurance	There is no statement of external assurance regarding the report.	
	<b>Activities and Employees</b>		
	2-6 Activities, value chain and other business relationships	About Aster, page 24-25 Our Main Activities, pages 64-66 Our Supply Chain, pages 76-77	
	2-7 Employees	Our Human Resources Approach, pages 78-81 Our Social Performance Indicators, pages 106-107	
	2-8 Workers who are not employees	Our Human Resources Approach, pages 78-81 Our Social Performance Indicators, pages 106-107	
	<b>Governance</b>		
	2-9 Governance structure and composition	Board of Directors, page 56 Our Organizational Structure, page 57	
	2-10 Nomination and selection of the highest governance body	Board of Directors, page 56 Our Organizational Structure, page 57	
	2-11 Chair of the highest governance body	Board of Directors, page 56 Our Organizational Structure, page 57	
	2-12 Role of the highest governance body in overseeing the management of impacts	Our Sustainability Approach, pages 44-48 Corporate Sustainability, pages 56-61	
2-13 Delegation of responsibility for managing impacts	Our Sustainability Approach, pages 44-48 Corporate Sustainability, pages 56-61		
2-14 Role of the highest governance body in sustainability reporting	Our Sustainability Approach, pages 44-48 Our Sustainability Priorities, pages 52-53 Our Prioritization Matrix with Stakeholder Engagement, page 54		



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GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION	
<b>GRI 2: General Disclosures 2021</b>	2-15 Conflicts of interest	Our Ethics and Compliance Efforts, page 58	
	2-16 Communication of critical concerns	Corporate Sustainability, pages 56-61	
	2-17 Collective knowledge of the highest governance body	Board of Directors, page 56 Our Organizational Structure, page 57	
	2-18 Evaluation of the performance of the highest governance body	Corporate Sustainability, pages 56-61	
	2-19 Remuneration policies	Our Human Resources Approach, pages 78-81	
	2-20 Process to determine remuneration	Our Human Resources Approach, pages 78-81	
	2-21 Annual total compensation ratio	Our Human Resources Approach, pages 78-81	
	<b>Strategy, Policies and Practices</b>		
	2-22 Statement on sustainable development strategy	Message from the Chairman and General Manager, page 16-17 Message from the Chief Marketing and Strategy Officer, page 18-19	
	2-23 Policy commitments	Corporate Governance and Internal Audits, page 60 <a href="https://www.astertextile.com/en/sustainability/responsible-management">https://www.astertextile.com/en/sustainability/responsible-management</a>	
	2-24 Embedding policy commitments	Corporate Governance and Internal Audits, page 60	
	2-25 Processes to remediate negative impacts	Our Communication with Stakeholders, page 51 Our Sustainability Priorities, pages 52-53 Corporate Sustainability, pages 56-61	
	2-26 Mechanisms for seeking advice and raising concerns	Our Communication with Stakeholders, page 51 Our Sustainability Priorities, pages 52-53 Corporate Sustainability, pages 56-61	
	2-27 Compliance with laws and regulations	During the reporting period, there was no illegal development, and no administrative penalty was taken for non-compliance with laws and regulations.	
	2-28 Membership associations	Corporate Memberships and Initiatives Signed, page 104	
	<b>Stakeholder Engagement</b>		
	2-29 Approach to stakeholder engagement	Our Communication with Stakeholders, page 51	
2-30 Collective bargaining agreements	There is no collective agreement practice within Aster Textile.		
<b>MATERIAL TOPICS</b>			
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Our Sustainability Priorities, pages 52-53 Our Prioritization Matrix with Stakeholder Participation, page 54 Our Sustainable Development Goals, page 55	
	3-2 List of material topics	Our Prioritization Matrix with Stakeholder Participation, page 54 Our Sustainable Development Goals, page 55	
<b>Economic performance</b>			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Sustainability Priorities, pages 52-53 Our Economic Performance, pages 62-63	
<b>GRI 201: Ekonomik Performans 2016</b>	201-1 Direct economic value generated and distributed	Our Economic Performance, pages 62-63 Economic Performance Indicators, page 105	

GRI STANDARD	DISCLOSURE	LOCATION
<b>Ethics and Compliance</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Ethics and Compliance Efforts, page 58 Combating Bribery & Corruption, page 61
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Our Ethics and Compliance Efforts, page 58 Combating Bribery & Corruption, page 61
<b>Energy</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Emission and Energy Management, pages 96-97
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Emission and Energy Management, pages 96-97 Environmental Performance Indicators, pages 108-110
<b>Water and effluents</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Water Management, pages 98-99
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Water Management, pages 98-99 Environmental Performance Indicators, pages 108-110
	303-3 Water withdrawal	Water Management, pages 98-99 Environmental Performance Indicators, pages 108-110
	303-5 Water consumption	Water Management, pages 98-99 Environmental Performance Indicators, pages 108-110
<b>Emissions</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Emission and Energy Management, pages 96-97
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Emission and Energy Management, pages 96-97 Environmental Performance Indicators, pages 108-110
	305-2 Energy indirect (Scope 2) GHG emissions	Emission and Energy Management, pages 96-97 Environmental Performance Indicators, pages 108-110
	305-4 GHG emissions intensity	Emission and Energy Management, pages 96-97 Environmental Performance Indicators, pages 108-110
	305-5 Reduction of GHG emissions	Emission and Energy Management, pages 96-97 Environmental Performance Indicators, pages 108-110
<b>Waste</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Material and Waste Management, pages 100-103
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Material and Waste Management, pages 100-103 Environmental Performance Indicators, pages 108-110
	306-2 Management of significant waste-related impacts	Material and Waste Management, pages 100-103 Environmental Performance Indicators, pages 108-110
	306-3 Waste generated	Material and Waste Management, pages 100-103 Environmental Performance Indicators, pages 108-110
<b>Occupational health and safety</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Occupational Health and Safety, pages 87-89
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Occupational Health and Safety, pages 87-89
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, pages 87-89
	403-3 Occupational health services	Occupational Health and Safety, pages 87-89
	403-9 Work-related injuries	Occupational Health and Safety, pages 87-89 Social Performance Indicators, pages 106-107

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# GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION
	<b>Training and education</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Employee Training and Development, pages 83-85
<b>GRI 404: Training and Education 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training and Development, pages 83-85
	<b>Community Investment / Local Development</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Local Community Relations and Employment, pages 90-91 Corporate Social Responsibility, pages 92-93
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Local Community Relations and Employment, pages 90-91
	<b>Product Quality</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Product Safety and Service Quality, pages 69-71
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Our Product Safety and Service Quality, pages 69-71
	<b>Employee Rights</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Employee Rights, page 82
	<b>Responsible Production</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Responsibility to the Environment , pages 94-103
	<b>Employee Satisfaction</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Employee Participation and Satisfaction, page 86
	<b>Responsible Supply Chain</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Supply Chain, pages 76-77
	<b>Sustainable Procurement</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Supply Chain, pages 76-77
	<b>Eco-innovation and R&amp;D</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	R&D and Innovation, pages 72-73 <a href="https://www.astertextile.com/en/sustainability/responsible-management">https://www.astertextile.com/en/sustainability/responsible-management</a>
	<b>Customer Satisfaction</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Our Product Safety and Service Quality, pages 69-71 <a href="https://www.astertextile.com/en/sustainability/responsible-management">https://www.astertextile.com/en/sustainability/responsible-management</a>
	<b>Renewable Energy Investments</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Emission and Energy Management, pages 96-97
	<b>Biodiversity and Habitat Management</b>	
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Environmental Management and Our Fight Against Climate Change, pages 94-95

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A S T E R  
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