

ASTER COMPANIES GROUP



ANNUAL REPORT

2023

**WE INNOVATE
WE CREATE
WE ARE ASTER**

GLOBAL POWER

As Aster Companies Group, we rely on our strength and a strong global vision to compete effectively in the global market. We continue our journey to become a globally recognised brand by acting with the principles of innovation, quality and customer focus.

We are constantly exploring new market opportunities to lead our industry, while focusing on adding value to our society and the environment.

We combine our global strength and vision with our efforts to build a sustainable future and strive for a better world with our “Thoughtful Living” approach.





SUSTAINABLE PROFITABILITY

We consider sustainability and profitability as a whole. We boost the long-term profitability of our companies by considering their environmental and social impact.

Our strategic and carefully selected investments contribute to the growth of our business and increase our profitability. While strengthening our vertical integration from knitting to dyeing, printing to embroidery we continue to increase our existing production capacities. We are on a path of sustainable and steady growth, constantly evaluating opportunities for the future.

STRATEGIC PARTNERSHIPS AND EXPANSION

We are always committed to the growth and impact of our business. Thanks to our strategic partnerships with more than 20 global brands, we create strong synergies with the leaders of our industry. We also continue to grow by entering new markets and strengthening our presence in existing ones. In this way, we offer our customers a wider range of services, while ensuring the sustainable growth of our company.





OPERATIONAL EFFICIENCY AND EXCELLENCE

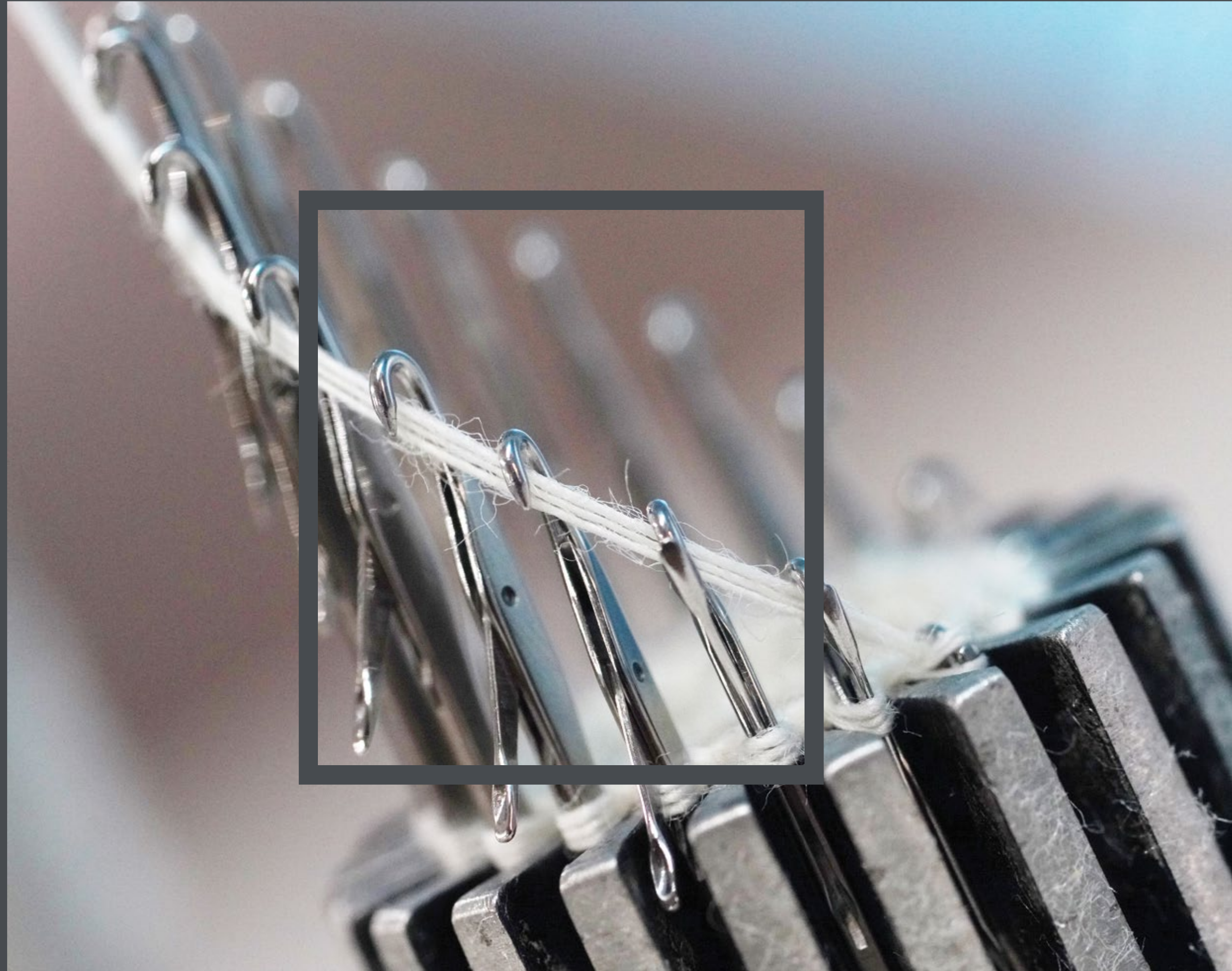
We continuously review and improve our business processes to increase efficiency, using our resources in the most effective way.

We strive to offer the best service to our customers by raising our quality standards and ensuring continuous improvements in efficiency. By working through a culture of operational excellence, we increase the competitiveness of our company and move forward on the path to sustainable success.

CUSTOMER- ORIENTED INNOVATION AND EXPERIENCE

We focus on innovations to understand our customers' needs and offer them valuable solutions, closely monitoring developments in our industry. We continuously improve our products and services by taking customer feedback into account and create tailored solutions for them.

We closely follow technology and continuously improve our product development processes to maximise customer experience. In this context, we contribute to the growth and success of our company by using digitalisation in all our business processes.



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ASTER TEXTILE AT A GLANCE

Aster is demonstrating sustainable growth through its international investments, including operations in Türkiye, the United Kingdom, Serbia and the Far East.

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ASTER TEXTILE AT A GLANCE

The world's leading global textile manufacturer and market leader

Founded in 1988 in İstanbul, Aster Textile has developed to rank among Türkiye's top 10 textile exporters in the ready-made and collection sector. Aster has been one of the world's leading textile manufacturers for many years, remaining true to its core values and meticulously maintaining its position as the market leader. It delivers its products, consisting mainly of knitted and woven collections for women, men and children, to more than 20 international customers in nine countries.

Headquartered in İstanbul, Aster Textile offers its customers the latest product solutions, along with the best quality and price with a sustainable approach. In addition to its production facilities in Türkiye and Serbia and business partners in the Far East, Aster Textile serves customers worldwide with the contribution of its İstanbul and London offices. With the desire to always produce the best for its customers, it closely follows fashion trends across the world and innovations in various product groups.

In addition to its headquarters in İstanbul, Aster Textile operates in Kırklareli-Babaeski, Tokat-Erbaa, Tekirdağ-Çerkezköy, Nevşehir-Cappadocia and Serbia-Niš, in a total of 134,515 m² of fully owned indoor space. In 2022, the third phase of the Tokat-Erbaa plant was

commissioned, expanding from 17,500 m² to 23,100 m² of indoor space and updating the integrated printing, embroidery, washing and production capacities.

Aster is demonstrating sustainable growth through its international investments, including operations in Türkiye, the UK, Serbia and Bangladesh. With its Design, Innovation and Business Development teams in İstanbul and London, it offers innovative products and solutions by following its passion for fashion and design and anticipating the expectations of its global customers, each with their own unique identity. All business processes, from the initial design to the delivery of products to customer stores and warehouses, are managed closely by the relevant departments.

Artesa Fabrics' knitting capacity was diversified with a total of 95 knitting machines using many technologies such as artificial intelligence and learning error detection systems as well as machine investments such as the state-of-the-art jacquard knitting machines added to the production portfolio.

With new plant and machinery investments in the dyeing sections, the necessary infrastructure for dyeing fabrics containing natural

fibres was completed. Further investments include the addition of Rotation and digital printing. In this way, a production capacity of 550 tons/month and a printing capacity of 150 tons was created.

While the solar energy investment was completed, powerful heat and water recovery solutions were integrated at different levels and a full automation system was introduced for both chemicals and dyestuffs, bringing the facility to a total indoor area of 37,960 m².

Pioneering in the sector by continuously growing with its investments, Aster established Setra Trim within the group thus expanding the range of services it offers to its customers to manufacture narrow weaving, cords and raschel strips.

Aster Companies Group added the SAP Transformation Project to its new projects to optimise its business processes in the most efficient way, strengthening its corporate governance mechanisms.

Driven by its values and passion to initiate and trigger change towards a more sustainable and circular fashion industry, Aster maintains its important place in the industry through strategic collaborations.



**STRONG IN PRODUCT AND
PRODUCTION**

**PIONEER IN CIRCULAR
FASHION ECONOMY**

OUR VISION, MISSION, SOCIAL VALUES AND MOTTO



OUR VISION

To create contemporary and thoughtful fashion, together with you.



OUR MISSION

To be one of the top five textile exporters in Türkiye by offering our customers products that create high added value through our flexibility, entrepreneurial spirit and innovative structure, without compromising our ethical values.

Along this journey, we respect people, our planet and life, and remain dynamic and contemporary by constantly learning, teaching and changing. We provide social benefit by raising awareness about the world and our shared responsibilities.



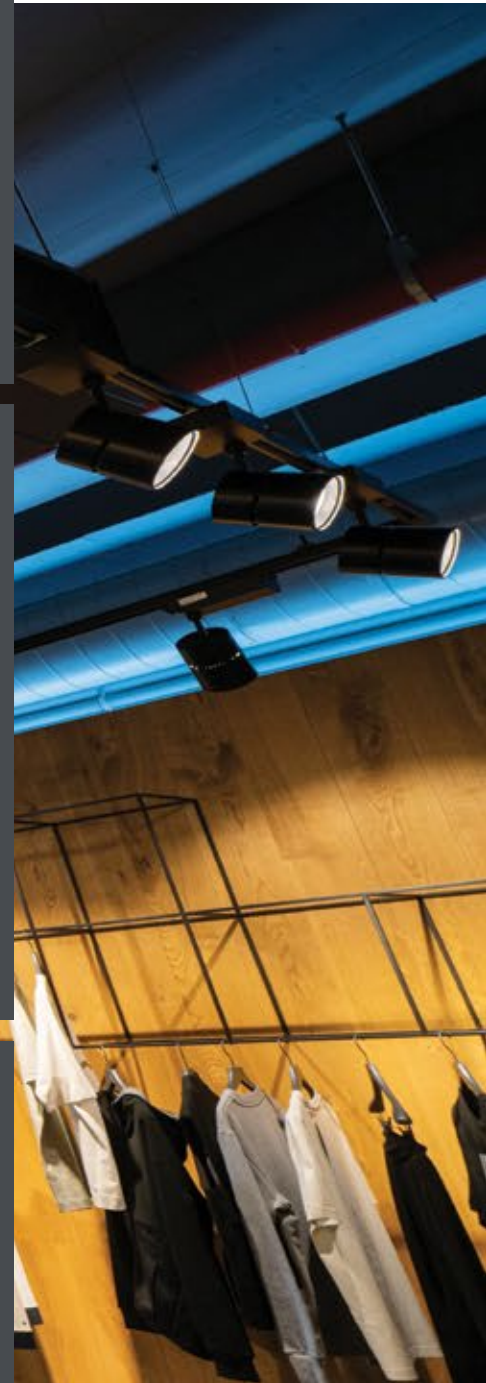
OUR SOCIAL VALUES

We always respect the rights, differences and values of all our employees and all members of society. We attach importance to the alignment of our sustainability strategies with our social responsibility projects.

Through the Aster Foundation, we aim to add value to our communities and are actively involved in social projects. We believe that our social responsibility awareness forms the basis of our relationship with the world as well as our commercial activities.

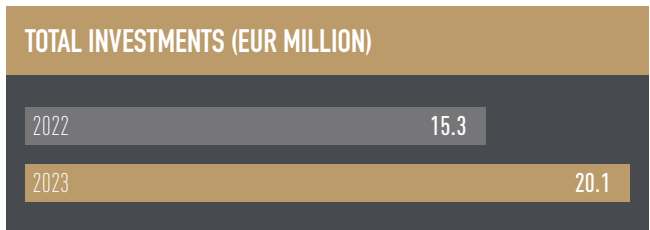
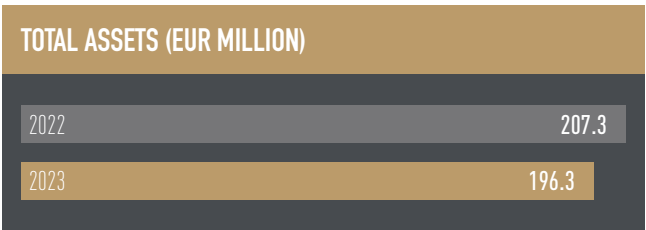
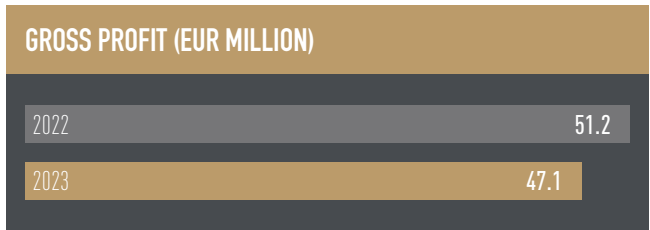
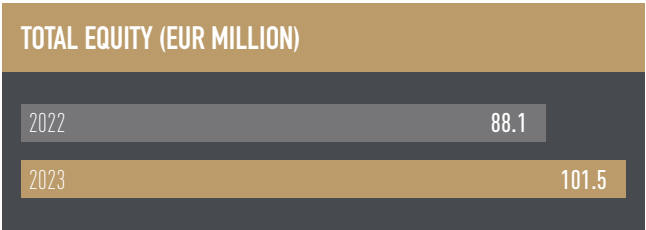
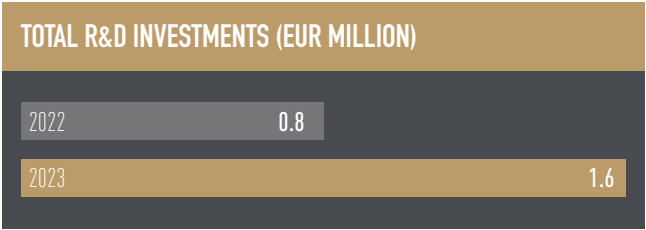
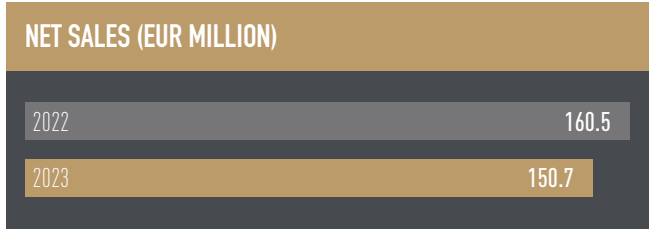


OUR MOTTO
THOUGHTFUL LIVING
INTEGRATED WITH TECHNOLOGY



ASTER TEXTILE IN FIGURES

In 2023, Aster Textile realised net sales of EUR 150.7 million euros and a gross profit of EUR 47.1 million.

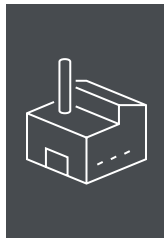


2023 YEAR-END	CAPACITY (MILLION MINUTES)	TOTAL INDOOR AREA (m²)	NUMBER OF EMPLOYEES
Türkiye-İstanbul	19	30,105	578
Türkiye-Kırklareli	37	21,500	582
Türkiye-Tokat	62	23,100	816
Türkiye-Nevşehir	22	2,600	222
Serbia-Niš	38	19,250	557
Artesa		37,960	358
Total	178	135,515	3,113



EXPORT PRODUCTION LOCATIONS

In addition to its headquarters in İstanbul, Aster Textile operates in Kırklareli-Babaeski, Tokat-Erbaa, Tekirdağ-Çerkezköy, Nevşehir-Cappadocia and Serbia-Niš, in a total of 134,455 m² of fully owned indoor space.



6 PRODUCTION FACILITIES

Türkiye

Kırklareli, Tekirdağ, İstanbul, Tokat, Nevşehir

Serbia

Niš



2 BUSINESS DEVELOPMENT CENTERS

Türkiye

İstanbul (Headquarters)

UK

London



STRONG FIGURES

An indoor area of

134,455 m²

Nearly

3,000+ employees

21 global brands

Exports to **9** countries

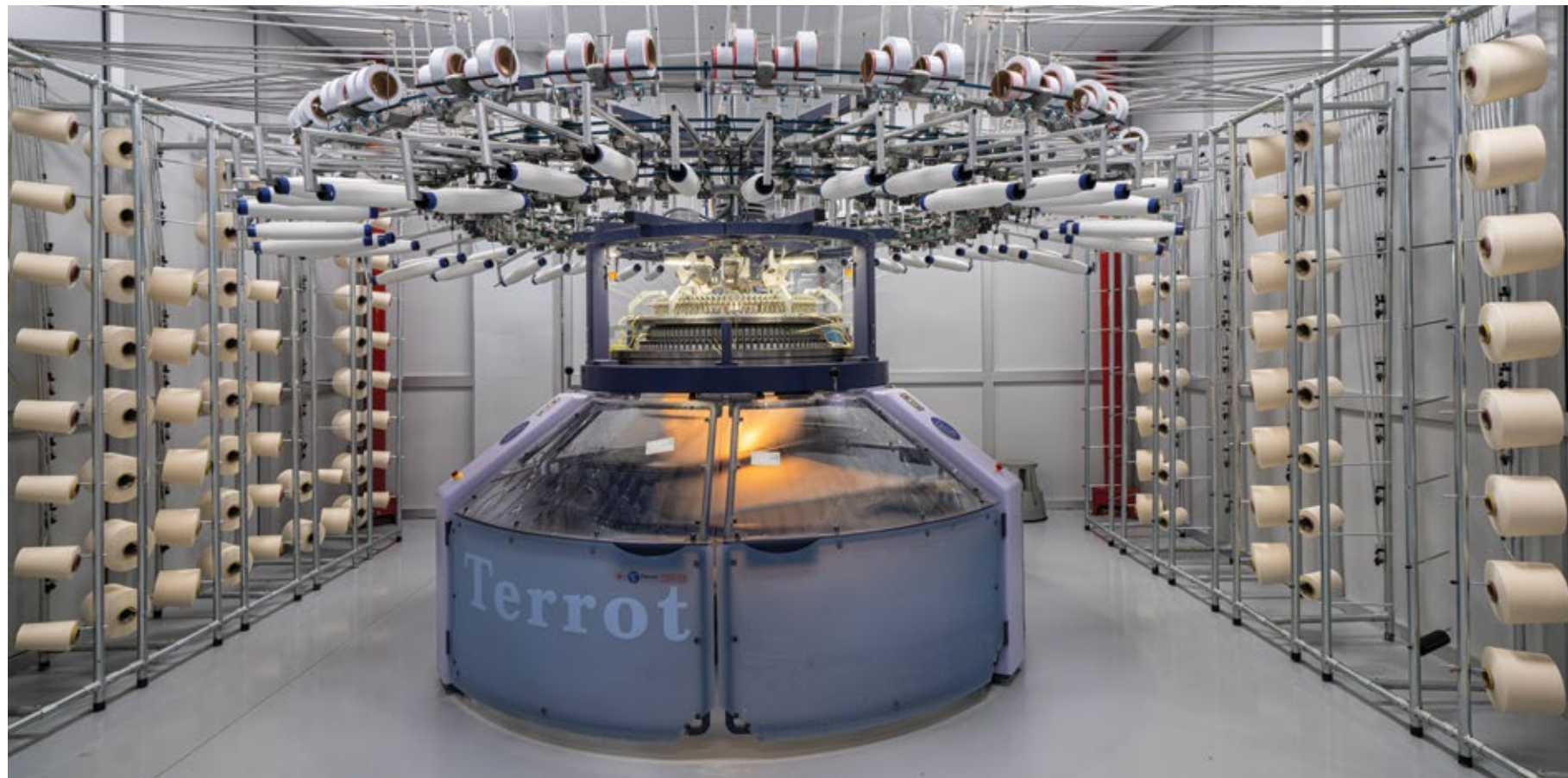
Production in **3** countries

6 operation centres

190 million minutes of production capacity

5,000 stakeholders

Among Türkiye's top **10** exporters in its sector



TÜRKİYE-KIRKLARELİ FACTORY

37 million minutes of production capacity

21,500 m² of total indoor area

582 employees



TÜRKİYE-İSTANBUL FACTORY

19 million minutes of production capacity

30,105 m² of total indoor area

578 employees



TÜRKİYE-TOKAT FACTORY

62 million minutes of production capacity

23,100 m² of total indoor area

816 employees



TÜRKİYE-NEVŞEHİR FACTORY

22 million minutes of production capacity

2,600 m² of total indoor area

222 employees



SERBIA-NİŞ FACTORY

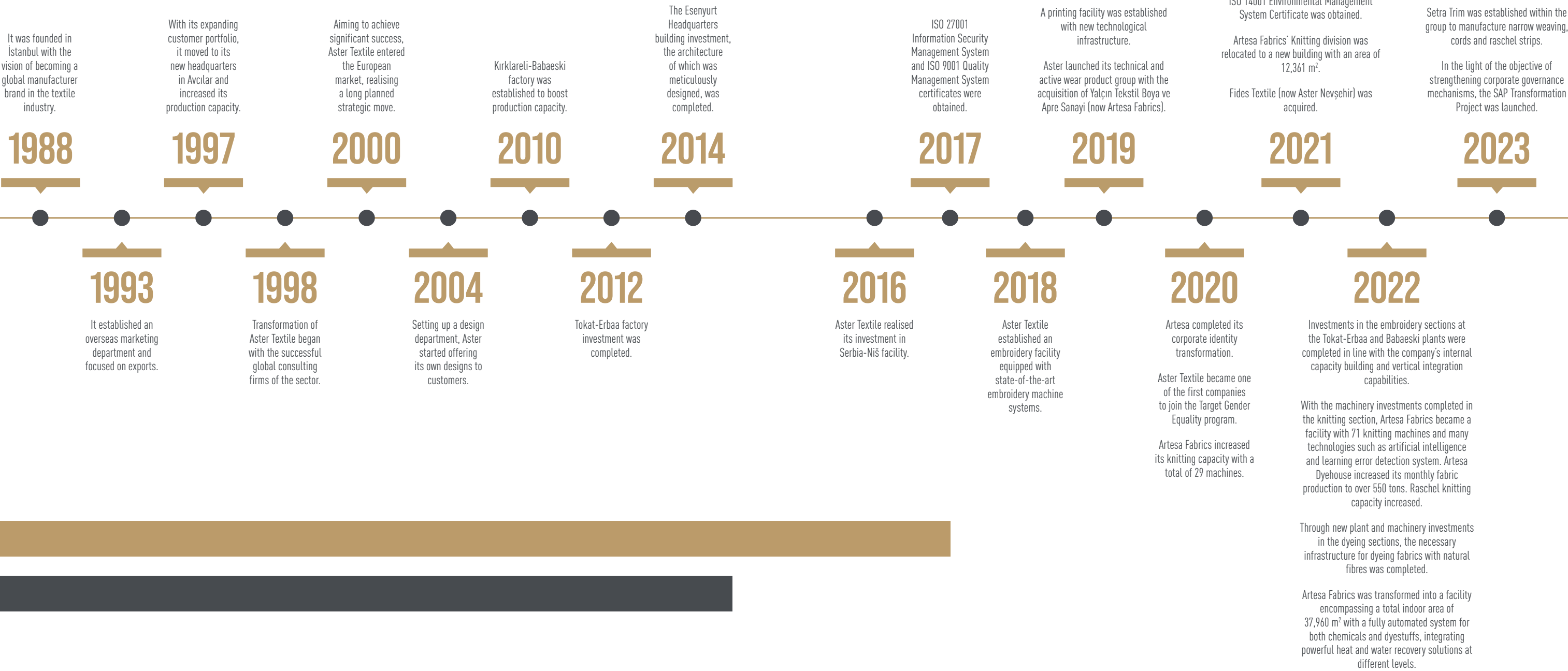
38 million minutes of production capacity

19,250 m² of total indoor area

557 employees

OUR THOUGHTFUL LIVING JOURNEY

For renewable energy, the rooftop solar energy panel investments of Tokat-Erbaa and Artesa Fabrics factories were completed, and a total installed capacity of 4 MW was commissioned.



OUR STRATEGIC PARTNERS

Strategic partnerships with 20+ global brands...
8 countries in the EU, the UK and USA



THE UK

Gymshark
Sweaty Betty
Marks and Spencer
Urban Outfitters
F&F

GERMANY

Esprit
Hugo Boss

SPAIN

Nude Project

FRANCE

Lacoste
Sandro
Maje
Claudie Pierlot
Decathlon

USA

Theory
Banana Republic

THE NETHERLANDS

Tommy Hilfiger
Calvin Klein

ITALY

Ermenegildo Zegna

SWITZERLAND

Timberland
The North Face

SWEDEN

Gant

OUR CERTIFICATES





MANAGEMENT

Performance Driven by
Corporate Values

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MESSAGE FROM THE CHAIRMAN AND CEO

As Aster looks to the future with hope, we will continue to implement projects that are environmentally sensitive and socially beneficial without compromising our sustainability and social responsibility principles.

Esteemed stakeholders,

As Aster Companies Group, we are proud and excited to step into a new era with more strength and growth. For 35 years we have been taking firm steps towards our goals of sustainable growth and value creation, and we are extremely happy to take both our achievements and our future goals one step further in the new period.

There is no doubt that the global economic challenges and their impact on the world economy continued last year. The global supply chain problems of large corporations, inflationary pressures, fluctuations in energy prices, and the challenges of dealing with the repercussions of this imbalance on all other areas have had a significant impact on the performance of the world economy. Türkiye's economy, of course, has had its share of these situations. In addition to all these, we spent a year in which we were saddened together due to the earthquake disaster we experienced at the beginning of last year, and again we healed our wounds together. However, despite all these difficulties, we continue to lead our way with the dream of a better future through the decisive steps taken in the economy.

MORE THAN EUR 20 MILLION EUROS OF CAPACITY INCREASE INVESTMENT IN ARTESA

AN INDOOR AREA OF **37,960 m²**

Although this apparent instability in the economy is quite tiring, we are leaving this year behind with satisfactory financial results thanks to our foresighted management approach. In achieving this success, we benefit greatly from the new corporate competencies we have gained through our determined growth plan. I can proudly say that, in line with our strategic vision, we have continued to grow both at home and abroad in 2023.

By closely monitoring sectoral, local, and global economic trends and ensuring a strong flow of information, our finance team successfully maintains the consolidated financial management of our company. Through effective cash flow management, we have established a sustainable financial infrastructure. As a result of these efforts, our company has achieved an A+ rating classification, once again demonstrating its financial strength and reliability.

As you can imagine, the buying habits of the end consumer are shifting away from cheap and short-lived products and moving towards longer lasting and high-quality products. A vision of sustainable future is becoming increasingly important, especially among younger generations. We are pleased to

see that this change is in line with our company's long-standing "Thoughtful Living" approach and the high value-added collections we offer to our customers. We continue to focus on developing new products to improve customer satisfaction and expand our market. In this respect, offering pioneering and innovative products in the sector by collaborating more closely with our R&D department is among the plans we prioritise in the upcoming periods.

At Aster, we have been producing for the world's leading brands for 35 years, leaving an impactful mark on the consumer journey of many brands. We continue to help our customers realise their vision and goals by constantly renewing and improving ourselves, using what we have learned and increasing our human resources capacity.

In 2023, we have realised many investments with the goal of becoming a financially strong Aster Companies Group that creates more value for all stakeholders. As we often reiterate, it is very important for us to respond to all the needs of our customers from a single point with our companies representing our sector both in our country and in different countries around the world. In Artesa, an important part of our Aster Companies Group, we have made an additional investment of approximately EUR 25 million in recent years to increase both product diversity and knitting/

dyeing capacity. Following new plant and machinery investments, Artesa has gone beyond our dreams and has become a modern knitted fabric and dyeing facility with an indoor area of 37,960 m² encompassing technologies such as fully automated chemical and dyestuff systems, fault detection systems that learn with artificial intelligence, and the latest heat and water recovery solutions at different levels. Artesa Fabrics undertakes the need for synthetic fabrics for our ever-growing product groups in the active wear and sportswear segments and the need for natural fibre fabrics for our natural fibre collections with vertical integration. Artesa Fabrics continues to provide full capacity service to its customers by meeting a large part of Aster Textile's fabric needs.

Through the third phase of our Tokat-Erbaa plant commissioned as part of our vertical integration strategy, and our investments in our Kırklareli-Babaeski plant, we continue to increase our internal production capacities and offer integrated services to our customers.

Our Information Technologies department has developed a device for our printing section to work more efficiently, shortening the operation process and eliminating layout problems. "Vision Reflect" was launched, the screen printing imaging system that emerged as a result of long-term activities, revolutionising the sector. The system attracted great attention at FESPA Eurasia 2023, where it was exhibited upon invitation, and was awarded in the Techxtile innovation league, where valuable innovations competed.

As a company that focuses on investing in the environment, the future, people and society, we prioritise sustainability efforts. We take a holistic approach to economic, social and environmental sustainability and constantly strive to improve our management systems. In addition to zero waste, circular economy, reducing inequality and gender equality programs, we are developing our corporate social responsibility projects.

As a leader in sustainable fashion design and production, we aim to create a global perspective in our industry and achieve excellence in the design-production-service model. In this context, we took steps to secure our future and were among the first participants of

I can proudly say that, in line with our strategic vision, we have continued to grow both at home and abroad in 2023.

the UN Global Compact and Women's Empowerment Principles in the sector.

By joining the United Nations Global Compact Climate Accelerator Program, we set out to give our goals and roadmap a scientific basis under our sustainability strategy. We have also drawn up our roadmap with our business partners to complete Personal Development and Career Empowerment Trainings for all female employees in all our facilities by 2025.

As Aster looks to the future with hope, we will continue to implement projects that are environmentally sensitive and socially beneficial without compromising our sustainability and social responsibility principles. Accordingly, we will continue to take steps for a better world by establishing strong collaborations with our stakeholders.

I am very pleased with the significant progress we achieved on a financial and operational scale and the positive contribution of our achievements to our corporate value in 2023. I would like to express my sincere gratitude to all our employees, our Board of Directors, our customers, which are our greatest source of motivation, our business partners and all our stakeholders who have contributed to the sustainable success of Aster Companies Group.

We got stronger with you and now we are growing!

Kind regards,

İSMAİL KOÇALI
Chairman of the Board and CEO



MESSAGE FROM THE VICE CHAIRMAN OF THE BOARD OF DIRECTORS

We support our ability to design, develop and produce products with continuous investment and state-of-the-art equipment. To stay ahead of an ever-changing world, we will continue to forget and relearn what we know, to be flexible and adapt to what is current.

Dear business partners and valuable colleagues,

We left behind a year in which we proudly and happily welcomed the centennial anniversary of our Republic, which was founded by Mustafa Kemal Atatürk and will exist forever. We wholeheartedly believe that the best way to celebrate the Republic is to work hard and produce. As a pioneering and well-established organisation in its sector, we are aware that we bear corporate responsibility not only for the economic success of our country but also for its social welfare. With this sentiment, we worked with all our strength to show our spirit of social solidarity and to heal each other's wounds during the earthquake disaster that overwhelmed us all with great sorrow in February last year.

On the other hand, we experienced a challenging period on a global scale in 2023. The long-lasting effects of the pandemic, the fragility of the economy and the pressure of wars on the global economy have deeply affected us all. However, despite these challenges, we continue to work for a brighter tomorrow by moving forward with determination.

Last year, we continued to follow the prominent practices and trends not only in the Turkish market but also in the world with great attention. Although our sector faced a tough test in 2023 with the contraction in European markets, high inflation, rising production costs and exchange rates, we are more hopeful about the second half of 2024. The textile and collection industry across the world reached USD 2.5 trillion in 2023. The sector is expected to grow at an annual rate of 3.0% between 2023 and 2028. In the light of these figures, we will continue to represent our country in the best way possible through our commercial activities as well as offering value-added solutions to our customers.

As an organisation sensitive to the future of our world, we demonstrate great sensitivity in tackling the climate crisis. With our offering of products and services, we aim to facilitate transition to a low-carbon economy.

Accordingly, we took important steps in 2023. The most important of these is the completion of rooftop solar energy panel investments at Tokat-Erbaa and Artesa Fabrics factories and the commissioning of a total of 4 MW renewable energy installations.

Through investments in Artesa Fabrics, we added Digital and Rotary Fabric Printing, Continuous Bleaching and Mercerisation processes and Jacquard Knitting processes to our knitting section. This enabled us to approach our customers with a holistic service approach.

As a constant customer-centred organisation, we established Setra Trim within Aster Companies Group to expand our range of services. This will enable us to fully support our global brand network in processes such as narrow weaving, cord and raschel ribbon manufacturing.

WITH OVER 3,000 EMPLOYEES COMMITTED TO CORE VALUES; WE FULFILLED THE MISSION OF BEING AN EXEMPLARY COMPANY FOR ANOTHER YEAR.

FOR 35 YEARS, WE HAVE BEEN ACTING WITH THE VISION OF BEING A SOLUTION PARTNER TO OUR CUSTOMERS ON A GLOBAL SCALE.

Our Design, Innovation and Business Development Centre in London moved to its own premises last year, strengthening its presence in the European realm.

There are two powerful factors that have a major impact on our ability to successfully complete work that is critical to the sustainable future of our country and our world. The first one is our effective and competent human resources. With more than 3,000 employees committed to our core values, we fulfilled our mission as an exemplary company for another year. The second one is our digital and technological competencies that increase our efficiency and speed in all our operational activities. Digital transformation has always been at the forefront of Aster Companies Group's business principles from day one, and we believe that we will continue to develop exemplary practices for the world. In 2023, as part of our project to strengthen corporate governance mechanisms, the SAP Transformation Project was a pioneering step in this regard. In 2024, we will continue to manage our high investments and service quality with great care.

For 35 years, we have been acting with the vision of being a solution partner to our customers on a global scale and we further strengthen our business partnerships by offering integrated services through our wide range of products, including fabrics. We support our ability to design, develop and produce products with continuous investment and state-of-the-art equipment. Therewithal, we will continue to forget and relearn what we know, to be flexible and adapt to what is current in order to stay ahead in an ever-changing world.

On behalf of our Board of Directors, I would like to congratulate the senior management and employees of Aster Companies Group for their success in 2023 and thank our customers and business partners for their trust in us.

Kind regards,

KADİR KOÇALI
Vice President of Operations

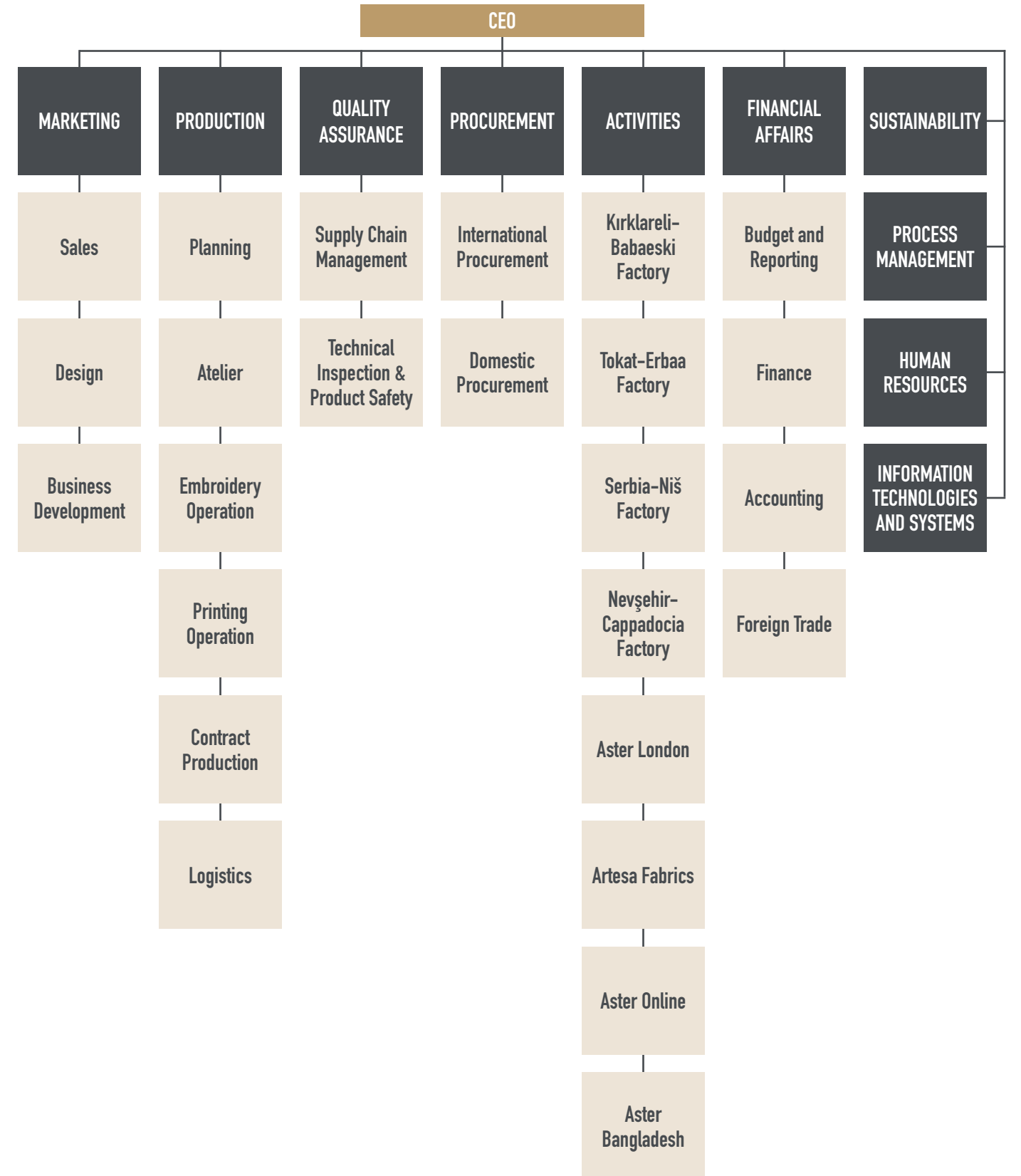
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BOARD OF DIRECTORS

The governing body of Aster Textile is the Board of Directors, which consists of five members. Current members of the Board of Directors were elected by the General Assembly resolution of December 22, 2022.

NAME – SURNAME	TITLE
İsmail KOÇALI	Chairman
Kadir KOÇALI	Vice Chairman
Ali KOÇALI	Board Member
Nursen KOÇALI YILMAZ	Board Member
Derya DEMİR	Board Member

ORGANISATION CHART



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ACTIVITIES

Perfect Adaptation to Developments
in Product Groups Around the World...

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- 54 OPERATION CENTRES

03



FASHION AND DESIGN

Aster aims to seamlessly integrate products into the supply chain and efficiently transform them into new raw materials, contributing to the circular fashion economy.

Since the day it was founded, Aster Textile has focused on delivering high quality products. From the Head Office in İstanbul to the Design, Innovation and Business Development Centre in London, the entire team works like artisans, aiming to be a leader in its market. Both centres have experienced and strong Design and Business Development teams. Aster Textile is known for its innovation, which has a high success rate and “brings firsts to the sector”.

Aster Textile’s Design and Business Development teams are constantly conducting in-depth research on the sector and striving to design the best products to deliver to their customers. These customers range from the Premium Segment to world-renowned and well-known global brands, from customers in the Active category to high-volume Mid-Market customers in the Brand Market Segment.

For Aster Textile, which closely monitors all major global fairs, design and product are key to the success of its services and to stay ahead of the industry. Aster aims to regularly improve itself to keep abreast of innovations in all its processes, from yarns to fabrics, from production techniques to product craftsmanship. To maintain its position as the pioneer of its sector, Aster takes care to use its investments in the right way.

Aster Companies Group is a precious strategic partner for more than 30 global brands. The Group has established itself as a leader in its field through a combination of sophisticated design and technical capabilities, a wide and comprehensive product range, quality-price balance and flexibility of production quality.

Aster Textile’s design teams bring in perspectives and expertise from a variety of backgrounds to align their collections with trend forecasts and customer preferences. Under digitalisation processes, where significant investments have been made to ensure efficiency in production, cutting-edge technologies such as 3D design and virtual showrooms support both sustainable fashion and lean production operations by minimising the need to produce and ship physical samples. This not only saves valuable time and resources, but also greatly reduces environmental impact.

Using digital technology effectively, Aster Textile contributes to the transformation of the way design teams and customers operate in the industry. In addition to successfully reducing raw materials that are often wasted in the development process, these platforms

allow for much wider opportunities in design, innovation and product development, along with garment production and colour management.

Our Innovation, Business Development and Design teams are the cornerstone for the creation of products that deliver the highest value to customers.

The Group’s aim is to carefully select materials that minimise environmental impact by properly managing the design processes and ensure long-lasting products that cover multiple users.

Consequently, Aster aims to seamlessly integrate products into the supply chain and efficiently transform them into new raw materials, contributing to the circular fashion economy.

Aster Textile’s Design and Business Development teams are constantly conducting in-depth research on the sector and striving to design the best products to deliver to their customers.



INNOVATION AND R&D

Using CLO 3D and Browzwear, Aster is making a positive contribution to the Group’s sustainability efforts by designing samples in unlimited quantities with minimal time and cost.

Aster Textile closely follows developments in technology and innovation. Faced with high sample development costs, the Group is taking advantage of new technologies. Traditional methods waste material and time in the sample production process, increasing the environmental impact. For this reason, Aster uses the leading 3D design software CLO 3D and Browzwear to design an unlimited number of samples in minimum time and cost, making a positive contribution to the Group’s sustainability efforts.

Using these 3D simulation platforms, Aster Textile brings its collections and pre-production sample processes to its digital showroom. Avatars created specifically for Aster’s partners greatly reduce the need to send physical samples. As a result, less raw materials, energy and water are used, and the carbon footprint is greatly reduced by eliminating packaging materials used in the sampling and shipping processes.

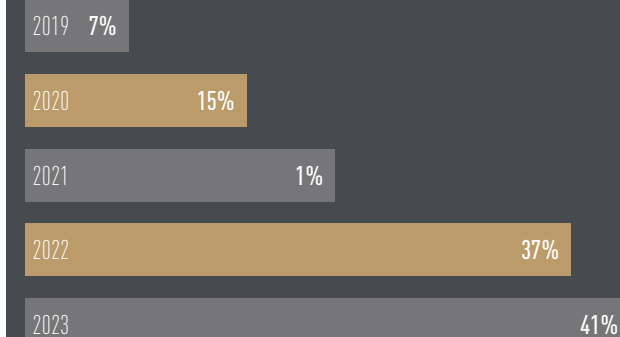


Investments in DigiEye and DigiView enable Aster Textile to minimise its environmental impact related to sample shipping and the relevant costs. Thanks to these solutions, colour approval processes can be completed within 24 hours without the need for physical package shipment by air. This represents a significant time saving, much shorter than the minimum of seven days required for conventional methods. This method reduces the carbon footprint and gives the company increased agility in the sales process and a significant competitive advantage.

Aster Textile is implementing another important innovative initiative, the digital transformation project, to access real-time quality, productivity and production information during the production process. General operation of the system called Simultaneous Data Collection System is as follows: All data collected in the field via tablets is updated every 30 seconds and published on large screens (dashboards) in the production area at specified periods. In this way, the quality and efficiency of production is monitored simultaneously by field teams and management is ensured through rapid actions.

DIGITALISATION OF PRE-PRODUCTION SAMPLE PROCESSES

3D SAMPLE RATIO IN PRE-PRODUCTION SAMPLE PROCESSES



ASTER DESIGN DEPOT - ASTER DIGITAL DESIGN LIBRARY

Aster Digital Design Library systematically and securely repositions necessary images and information about Aster collections on the cloud by integrating with ERP, enabling online, real-time collaboration with customers in the product development processes. Setting an example of digital transformation efforts in the ready-made and fashion industry, this application not only creates speed and cost advantages in sales, but also reduces the carbon footprint.

Aster Digital Design Library, developed as part of digital transformation efforts in the ready-made/fashion industry, is one of the exemplary applications that can replace customer visits that have decreased bilaterally after the pandemic, offering speed and cost advantages in sales and significantly reducing the carbon footprint in these processes.

INFORMATION TECHNOLOGIES

Aster is committed to protecting its information assets and managing them in a way that serves the Group's mission, vision and strategies.

In line with emerging Information Technology (IT) trends, Aster will continue to focus on technological innovations that can further impact production and thus improve the Group's competitiveness. The main criteria to be considered when deciding on the use of various technologies are the impact of these developments on nature and the environment. In this context, the Group continues to work on important topics such as paper use, virtualisation technologies, cloud technologies and energy consumption. The Group aims to further increase savings in energy costs by scaling IT operations and IT designs in line with "Green IT", minimising energy use. The IT team continues to work with the belief that technology and science can be an important tool to leave a more liveable environment for future generations and reduce the negative impacts on both our country and our world.

Aster is committed to protecting its information assets and managing them in a way that serves the Group's mission, vision and strategies. In accordance with the Information Security Management System (ISMS), it effectively conducts and continuously improves a reliable and transparent ISMS to ensure internal and external customer satisfaction.

Aster continues to develop innovative, nature-integrated, sustainable products that add value to the sector through R&D and innovation, one of its most important focus areas. R&D and IT teams work continuously and with great motivation to develop technologies that will increase quality and efficiency in product development and production processes. Accordingly, "Vision Reflect", the screen printing imaging system that emerged as a result of long-term activities, revolutionising the sector, was launched.



The innovation eliminates the current method of setting a reference point with a laser, manually drawing on the pallet, cleaning the markings on the pallet during model changes, and all human-related errors. Making use of an advanced software and management panel, Vision Reflect provides the ease of switching to the new model and starting production in seconds on machines in different locations. When the convenience it provides in size and model changes is evaluated for fabric cutting errors, very significant gains are also obtained. The system attracted great attention at FESPA Eurasia 2023, where it was exhibited upon invitation, and was awarded in the Techxtile innovation league, where valuable innovations competed.

Aster effectively implements and continuously improves its reliable Information Security Management System (ISMS) to ensure internal and external customer satisfaction.

BUSINESS DEVELOPMENT AND PROCUREMENT

Thanks to its unique reputation for high quality standards, Aster Textile sets an example for ethical business practices in the sector.

ON-TIME DELIVERY OF SAFE AND TRACEABLE PRODUCTS

Aster Textile's remarkable success and sustainable growth in its field is based on the Group's agile and solution-oriented structure as well as its innovative spirit. Aster has a reputation in the textile industry for providing leading solutions to the global market.

The increase in demand for safe production capacity due to the pandemic and developments in its aftermath has initiated a global change in the textile industry. Aster Textile quickly adapted to this change and took steps to meet diverse and changing customer demands by increasing its production capacity despite the current state of global markets and proved its success in the eyes of its customers.

Aster Textile has an exemplary position in the sector and has a recognition that distinguishes it from its competitors in terms of ethical business practices. Aster is known for its sensitive and innovative

practices in the field of ethical and sustainable fashion. Through continuous research and investment, Aster adapts the most advanced production technologies in the industry to every area of the company. Placing great importance on the principle of sustainability and offering environmentally friendly and traceable products, the Group continues to be a reputable business partner. As an organisation that draws its strength from its people, it strives to ensure sustainable and equitable growth for the future in the long term with more than 3,000 employees. Aster also requires its suppliers to comply with the Code of Conduct published by the Group.

Aster's Design, Innovation and Business Development Centres in Türkiye and Europe are important sources of valuable industry knowledge. In these centres, experienced and innovative technical support teams work to advance and implement the specifications, qualities, techniques and production processes of the products to be developed. This future-oriented working model is an important element that reinforces the company's leading position in the global fashion market and enhances its reputation.

Aster manages its R&D processes in four main categories:



Business Development

Under business development, Aster Textile meticulously follows the developments in its sector and shapes its strategies by adapting to innovations and trends. To expand its customer portfolio, it not only offers customised solutions to existing customers, but also continues to maintain contacts with potential customers. While creating its short and medium-term plans, it aims to integrate its potential customers into the processes by considering the opportunities in the local and global markets. In this way, Aster Textile strengthens its leading position in the sector and takes firm steps forward into the future.



Product Development

In the product development phase, the process starts with a creative design supported by sustainable materials and R&D studies based on new technologies. In this process, new collections are created in line with customer values and global fashion trends. At Aster Textile, which has the infrastructure to carry out all technical development processes from collection creation to production digitally, models are transformed into prototypes and their suitability for the industrial production process is tested by quality assurance teams. Once we are satisfied that the products meet Aster's and its customers' high standards in terms of quality and fit, the production process begins.



Process Development

Under process management, Aster Textile believes in the need for effective process management to successfully execute long-term business plans and forward-looking projects and shapes its strategies accordingly. While annual targets are set to realise the Group's corporate vision and mission, relevant units analyse operational processes in detail and act in line with strategies. On the other hand, to manage challenging costs, efforts are under way to serve customer expectations and profitability. The company continuously invests in necessary systems, software and equipment to ensure and improve efficiency in every area.

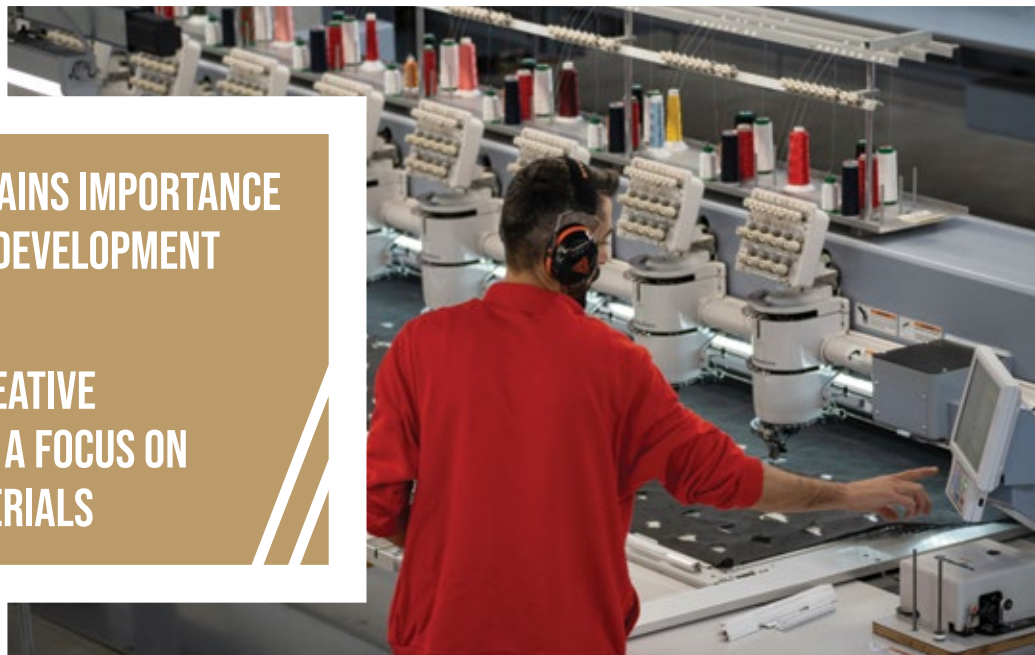


Technology Development

Within the scope of its technology development activities, Aster Textile cooperates strategically with internationally renowned organisations and expert professionals in line with its vision of creating strategic collaborations. While investing in new technologies, the company prioritises solutions that facilitate the development and production of innovative products and designs. In this context, it closely follows technological developments and innovations, and demonstrates its competitiveness with a rich product and design portfolio. It also develops operational solutions, aiming to boost efficiency and quality in production processes. In this process, it focuses on continuously improving operational efficiency and quality standards and aims to achieve a leading position in the sector.

DIGITALISATION GAINS IMPORTANCE IN THE PRODUCT DEVELOPMENT PROCESS

SUPPORT FOR CREATIVE PROCESSES WITH A FOCUS ON INNOVATIVE MATERIALS



PRODUCTION AND SHIPMENT

Thanks to its extensive production capacity, Aster Textile responds to varying customer needs, ranging from luxury product groups to high-volume production programs.

Aster Companies Group operates six production facilities in Türkiye and Serbia. A pioneer in its sector, the Group has the largest and most modern facilities in terms of production. Driven by its mission to produce high quality products and offer them to markets around the world, it combines flexibility and innovation with the use of the latest technologies in its production processes. With nearly 3,000 employees and a monthly production capacity of 180 million minutes, it offers the best solutions to meet customer demands in today's competitive global market conditions.

RESPONDING TO VARYING CUSTOMER NEEDS

With its large production capacity, Aster Textile responds to varying customer needs ranging from the luxury product segment to high-volume production programs. The Group aims for the highest efficiency by applying the Lean Production System at every stage of its operations.

By continuously investing in the latest technology, automation and digital solutions in all operational processes, it strives to continuously take quality and efficiency to the next level.

ASTER'S FLEET ENSURES QUALITY OF SERVICE

Aster saves significant time by using its own fleet for the shipment of semi-finished and finished goods. Once the production and quality control stages are completed, the products are managed in Aster warehouses until the time of shipment. The products that are ready for shipment are safely

In today's challenging global market conditions, Aster offers solutions that best meet customer demands.

delivered to various sales points around the world through logistics suppliers approved by the customers. Aster aims for maximum efficiency not only during the production process, but also before and after production, continuously improving the quality of service offered to customers.



EMBROIDERY AND PRINTING

Holding the Global Organic Textile Standard (GOTS) production certificate, Aster Textile does not use any banned substances in embroidery as in all processes in line with its sustainability principles.

EMBROIDERY

INDUSTRY-LEADING ADVANCED TECHNOLOGY

Aster Textile's embroidery section closely follows fashion trends around the world and offers high-quality, meticulous and distinctive services to its customers. The embroidery design and production teams, with the contribution of the R&D and Design departments, have a positive impact on Aster's production targets.

Special embroidery departments were established thanks to investments made in the Group's Istanbul, Babaeski and Tokat facilities. This allows Aster to offer its customers a wider range of products, with embroidery production capacity ranging from 5,000 to 20,000 pieces per day, depending on the design and pattern technique at each site.

DAILY EMBROIDERY CAPACITY

HEADQUARTERS

8,000

TOKAT ERBAA

18,000

KIRKLARELİ BABAESKİ

10,000

A COMPREHENSIVE EMBROIDERY DEPARTMENT

Equipped with state-of-the-art machinery, Aster's embroidery department can produce a wide range of different and innovative embroidery techniques, including all types of wrapped embroidery, outline embroideries, embossed embroideries and appliqué-cut and laser-cut embroidery. The Group's embroidery team uses its full potential, supported by state-of-the-art design programs. Aster, which can also use laser cutting systems, integrated design techniques, digital printing and screen printing techniques, is leading Türkiye's textile industry.

PRINTING

AN ADVANCED FACILITY WITH NUMEROUS APPLICATIONS

Aster Textile aims to offer more efficient processes for the printed products it frequently uses in its collections by establishing the most superior printing facility in its region with state-of-the-art machinery. The facility also acts with a sense of environmental responsibility and complies with the organisation's sustainability principles.

Aster differentiates itself from its competitors with machines that have digital printing capability mounted on partial screen printing equipment, a feature that makes a difference in the sector. The group has created a unique digital hybrid system that integrates digital printing with combinations of HD printing, puff printing, foil printing, glitter printing and partial screen printing.

Aster's Headquarters, Babaeski and Erbaa plants have specialized printing departments with a daily capacity between 15,000 and 20,000 pieces. In addition, the Headquarters' daily digital printing capacity ranges between 1,500 and 2,500 pieces.

HUMAN ERROR BECOMES HISTORY

Aster integrates innovative solutions, digital patterning and traceability into its systems. Thanks to the new technologies and automation systems it has developed for pattern preparation, fully automated placement on sampling and production and printing process, possible human errors are prevented throughout the entire process from design to shipment. With this approach, Aster aims to make production processes more efficient, while also raising quality standards and minimizing environmental impact.

SUSTAINABLE AND RESPONSIBLE PRODUCTION

In line with its sustainability principles, Aster is committed to sourcing all its chemicals from positive chemical lists. It shares this process transparently through ZDHC InCheck reporting. All auxiliary chemicals used in the printing department, which holds GOTS, GRS, RCS and OCS certificates, are water-based. In line with these efforts, Aster reduces the negative impact of its industrial activities on natural resources and the environment by adopting an environmentally friendly and sustainable production process.

WATER USE EFFICIENCY

As an output of feasibility studies conducted in line with environmental awareness, industrial wastewater generated by pattern washing in the printing department is treated and made suitable for reuse. In this way, Aster's goal of protecting water resources and sustainable water use is being achieved.

Aster Textile aims to offer more creative processes for the printed products it frequently uses in its collections by establishing the most superior printing facility in its region with state-of-the-art machinery. The facility also acts with a sense of environmental responsibility and complies with the organisation's sustainability principles.



OPERATION CENTERS

Thanks to the work of Aster's experienced Design and Business Development teams, the Group can offer its customers the most tailored services and solutions.

HEADQUARTERS

The headquarters of Aster Companies Group is located in Esenyurt, Istanbul, on a 30,105 m² fully owned site. The Headquarters currently employs 578 people in the Financial Affairs, Information Technologies and Systems, Human Resources, Sales and Marketing, Procurement, Production, Planning, Design and R&D departments. The Headquarters also houses the sample development, printing, embroidery and production lines of Aster Atelier, which develops and manufactures products for the Premium Segment. Aster Atelier has a production capacity of around 20 million minutes.

INNOVATIVE RESPONSE TO GLOBAL TRENDS

Aster attends leading global fashion, fabric and technology fairs and closely monitors the latest developments in the industry. The R&D and Design Centre conducts extensive research to anticipate the potential needs of its customers. This enables Aster to offer product development solutions based on accurate and comprehensive market data. Thanks to the work of its experienced Design and Business Development teams, it maintains its leading position in the sector as well as ensuring customer satisfaction by offering the most appropriate services and solutions tailored to its customers.

30,105 m² OF TOTAL INDOOR AREA AT THE HEADQUARTERS

578 EMPLOYEES



ASTER TEXTILE FACTORIES

HIGH QUALITY PRODUCTS FROM STATE-OF-THE-ART FACILITIES

Aster Textile factories are among the largest and most technologically advanced in their region. Aster combines its extensive experience in manufacturing with flexibility and modernity, utilizing the latest technologies in all business processes to ensure the delivery of quality products to markets around the world. In this way, Aster maintains its leading position in the sector and continues to offer high quality products to its customers.

Aster Textile factories are among the largest and most technologically advanced in their region.

PRODUCTIVITY MEASUREMENT FOR LEANER OPERATIONAL PERFORMANCE

At Aster factories, Production Engineering departments, comprised of teams of highly competent engineers, create workforce and machine layout plans and closely monitor operator competencies. They also work diligently to increase productivity values by analysing losses in connection with Production Management.

The efficiency of each facility is monitored instantly with digital systems and necessary actions are taken in a fast and agile manner.

Aster Textile uses Lean Production Systems to achieve the highest efficiency at every stage of production. It attaches great importance to automation in all its factories and continuously improves its production system infrastructure according to technological developments.

Effective use of the Lean Production System brings many benefits to Aster's factories. These benefits include stock and therefore cost reduction, time savings, quality improvement, flexibility and adaptability. Managing the system accurately and efficiently allows for a more solution-oriented response to evolving market conditions and customer demands, while also providing a competitive advantage for the Group.

...AND FULL CERTIFICATION

All Aster factories hold Global Organic Textile Standard (GOTS), Global Recycled Standard (GRS), Recycled Claim Standard (RCS) and Organic 100 Content Standard (OCS) production certificates. Aster also received ISO 27001 Information Security Management System, ISO 9001 Quality Management System and ISO 14001 Environmental Management System certifications.

KIRKLARELİ-BABAESKİ FACTORY

TOKAT-ERBAA FACTORY

NEVŞEHİR-CAPPADOCIA FACTORY

SERBIA-NIŠ FACTORY



KIRKLARELİ-BABAESKİ FACTORY

AN ACCREDITED FACILITY WITH ROOM FOR GROWTH

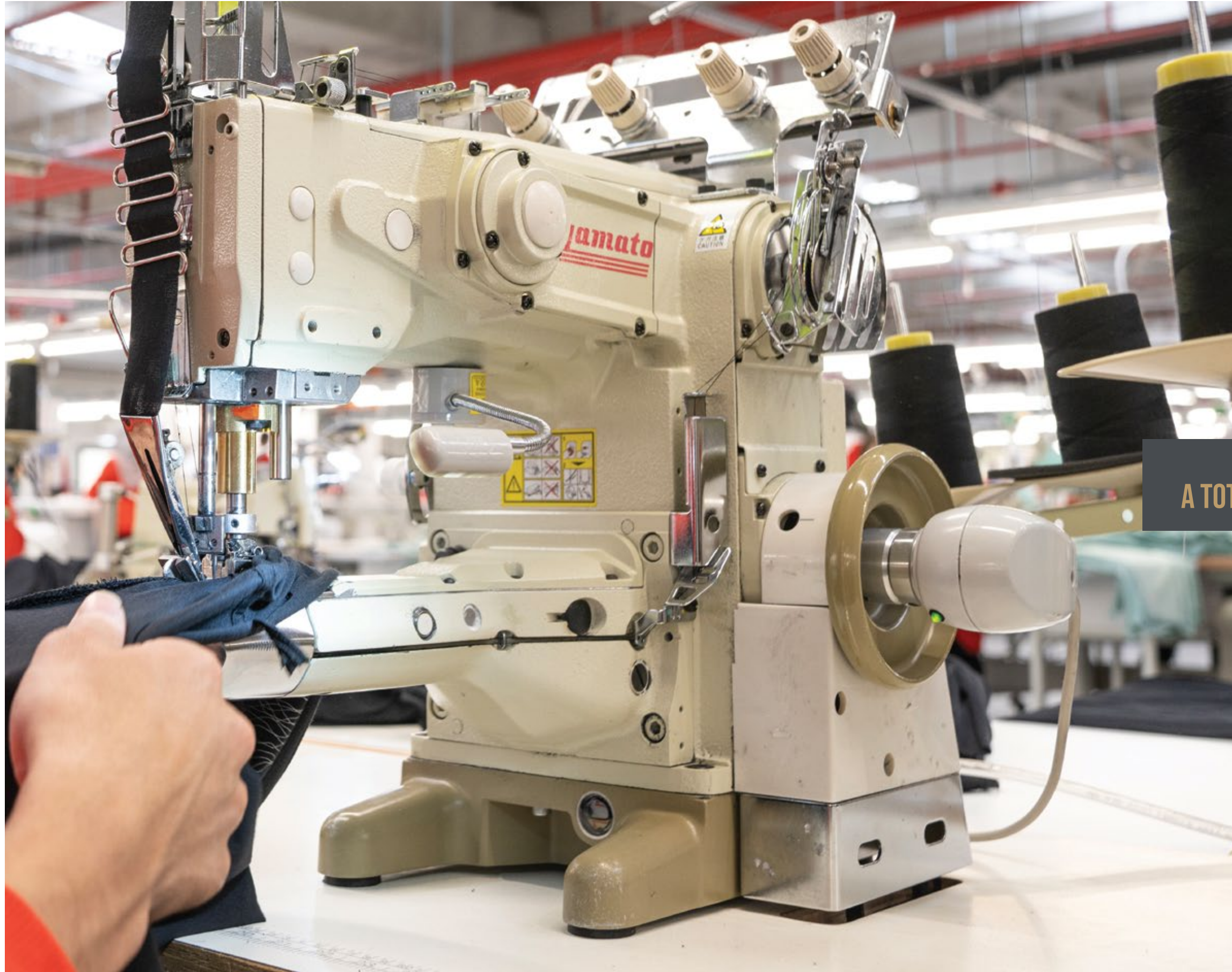
Kırklareli-Babaeski plant, located on 74,000m² of land that is wholly owned by the company, joined Aster Companies Group on July 1, 2010. In 2015, the factory's printing and embroidery infrastructure was expanded by 10,000 m² to 21,500 m², and expansion works were commissioned in 2023 within the framework of the third phase investment plan.

A TOTAL INDOOR AREA OF **21,500 m²**

582 EMPLOYEES

Expansion works for the factory's printing and embroidery infrastructure were commissioned in 2023 as part of the third phase investment plan.





NEVŞEHİR-CAPPADOCIA FACTORY

Nevşehir-Cappadocia factory, located on an indoor area of 2,600 m² in Cappadocia, joined Aster Companies Group in 2021 after the acquisition processes were completed. The factory produces garments from knitted fabric, focusing exclusively on collection.

A TOTAL INDOOR AREA OF **2,600 m²**

222 EMPLOYEES

Nevşehir-Cappadocia factory joined
Aster Group in 2021.

TOKAT-ERBAA FACTORY

Located on a 3,500 m² of land in Erbaa Organised Industrial Zone, Tokat-Erbaa factory joined Aster Companies Group in August 2013 with 188 employees. In October 2017, the factory moved to a new building with an indoor area of 9,500 m², located on 30,022 m² of land in the Organised Industrial Zone.

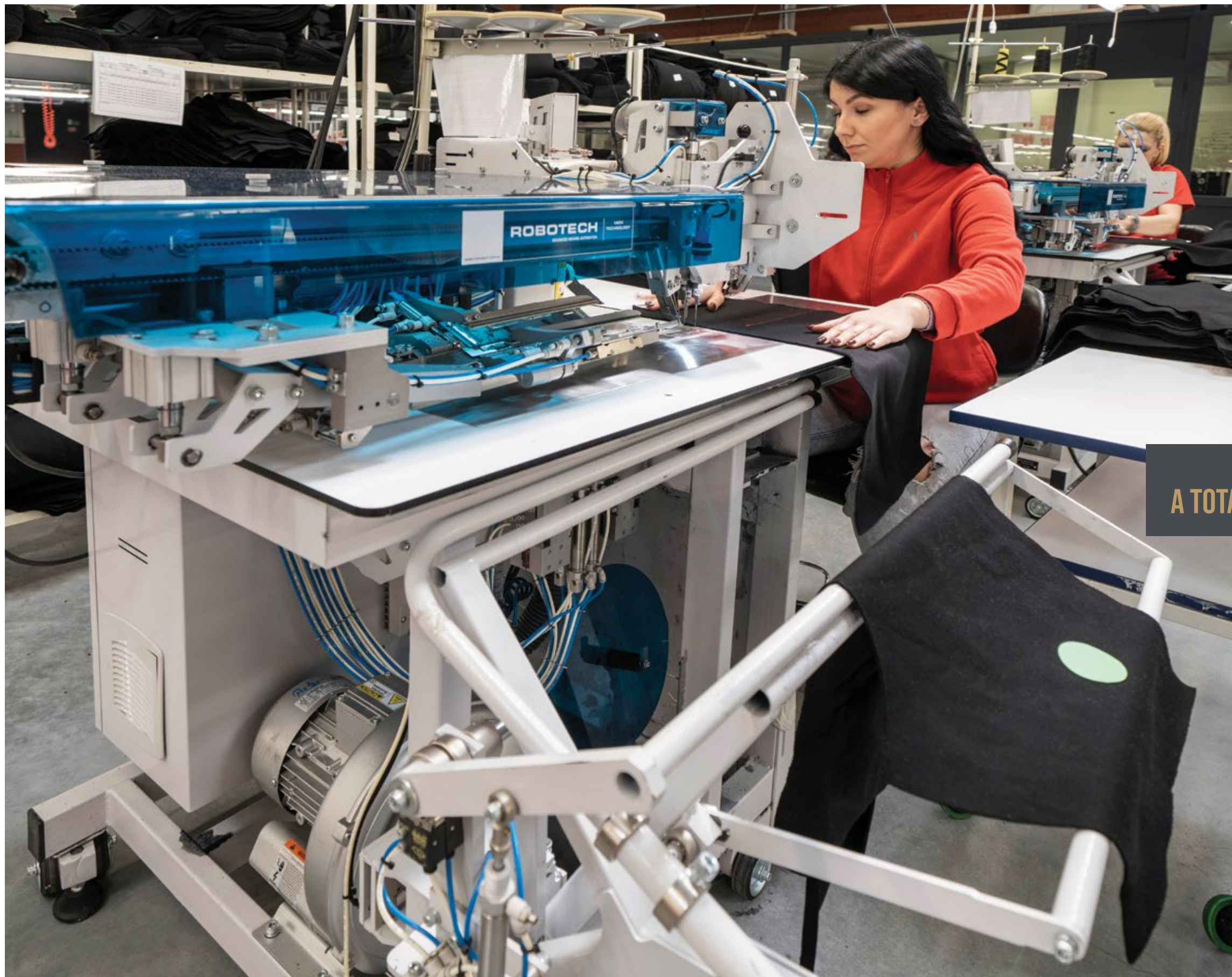
In 2018, the factory building was awarded the first prize for "Best Industrial Building" at the Sign of the City Awards, which recognizes excellence and urban architectural standards. Currently operating on an indoor area of 23,100 m², the factory serves as an integrated facility encompassing printing, embroidery and washing processes.

Operating on an indoor area of 23,100 m², Tokat-Erbaa factory serves as an integrated facility encompassing printing, embroidery and washing processes.



A TOTAL INDOOR AREA OF **23,100 m²**

816 EMPLOYEES



SERBIA-NIŠ FACTORY

Established in Niš, Serbia as a subsidiary of Aster Companies Group, the production plant joined the Group on December 30, 2015.

Operating on a land of 19,250 m² totally owned by the Group, the Aster D.O.O. Niš factory building received the second prize for "Best Industrial Building" at the Sign of the City Awards in 2016.

A TOTAL INDOOR AREA OF **19,250 m²**

557 EMPLOYEES

Serbia-Niš factory joined Aster Companies Group in 2015.



OUR SUBSIDIARIES

Innovative Companies Group
Operating Worldwide...

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- 70 ASTER GLOBAL PAZARLAMA VE DİŞ TİCARET A.Ş.
- 70 ASTER TEXTILE D.O.O. NIŞ
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04



ARTESA KUMAŞ SAN. VE TİC. A.Ş.

Founded in 1990, Artesa is a leading textile company specializing in the production of high performance functional synthetic and natural fibre type fabrics. Artesa employed 320 employees in 2023.

Located in Çerkezköy Organised Industrial Zone on a land of 37,960 m² with a fully enclosed area, Artesa factory 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.

Artesa is one of the leading dyehouses in Türkiye in the dyeing and finishing of synthetic fibre fabrics. Its vision is to be a global fabric brand offering innovative product solutions for the high-performance active sportswear, outerwear, swimwear and shapewear markets. It therefore aims to develop strategic partnerships with leading global active sportswear brands.

Through the investments in 2023, Jacquard Knitting, Digital and Rotary Fabric Printing, Continuous Bleaching and Mercerisation processes were commissioned. By integrating the physical testing laboratory with the analytical testing laboratory, all fabric testing processes were combined within Artesa Fabrics.

In 2023, the rooftop solar panels investment was completed and commissioned. Following the machine automation software in the dyeing section, energy, water and chemical consumption can be monitored instantly on a machine basis. Recognizing that it bears a high responsibility for environmental protection, Artesa continues to invest in new technological equipment and systems for heat and water recovery.

Artesa offers a wide range of high quality and modern fabric collections, developed thanks to its solid technical know-how and experience in the market where it stands out as a strong player.

The company's clients include Decathlon, Urban Outfitters, Gymshark, Hugo Boss, Sweaty Betty, COS, Penti, Gant, Tommy Hilfiger, Esprit, M&S, Lacoste and The North Face.



Artesa's vision is to be a global fabric brand offering innovative product solutions for the high-performance active sportswear, outerwear, swimwear and shapewear markets.

A TOTAL INDOOR AREA OF **37,960 m²**

358 EMPLOYEES

ASTER GLOBAL PAZARLAMA VE DIŞ TİCARET A.Ş.

DATE OF ESTABLISHMENT: 2010

Aster Global operates as the foreign trade company of Aster Textile Group in Türkiye.

Aster Global Pazarlama ve Dış Ticaret A.Ş. was established on June 1, 2010 and operates as the foreign trade company of Aster Textile Group in Türkiye. With its 12 employees, Aster Global acts as an intermediary for the direct sales of the products manufactured by Aster Textile to foreign markets.

ASTER TEXTILE D.O.O. NIŠ

DATE OF ESTABLISHMENT: 2015

Aster Textile D.O.O. Niš produces t-shirts, sweatshirts and pants in knitted and woven collections for women, men and children.

Founded on December 30, 2015 in Niš, Serbia, Aster D.O.O. Niš manufactures knitted and woven collections. The factory delivers finished products to its own warehouse or to its customers through transit trade. Aster Textile D.O.O. Niš produces t-shirts, sweatshirts and pants in knitted and woven collections for women, men and children. The factory is located on a land of 19,250 m².

ASTER GIYIM ONLINE SATIŞ A.Ş.

DATE OF ESTABLISHMENT: 2021

Aster Online was founded with the vision of interacting directly with the consumer.

Aster Giyim Online Satış A.Ş. was founded in line with the vision of being in direct communication with the end consumer after over 30 years of experience in the sector. Aster will continue to transfer its long-standing know-how at the point of direct access to customers.

ASTER TEXTILE LONDON LTD.

DATE OF ESTABLISHMENT: 2012

All products designed in London are developed at the Headquarters in İstanbul or by business partners in Bangladesh, and then offered for selection to Aster Textile's global customers.

Aster Textile London Limited has been operating as an Innovation, Design and Business Development Office (Aster Innovation Hub) in central London since 2012. Highly experienced Design and Business Development teams use geographical proximity to customers in the European market as an advantage. The teams here create and implement product development solutions by anticipating potential customer needs. Aster Textile London collaborates with internationally recognized brands.

Aster Innovation Hub was established to better communicate its innovative approaches and customer-oriented service approach. The team has long years of experience and is known for its achievements in its respective fields. The team is working hard to produce customized solutions to meet the needs of its customers. Striving to continuously improve products and services by taking customer feedback into account, this team also aims to collaborate more closely with global brands to offer solutions that go beyond their expectations. Believing that the collaborations created in this way will be more efficient and increase mutual satisfaction, Aster closely follows fashion trends to offer pioneering and cutting-edge services in the sector.

All products designed in London are developed by Aster Textile's Headquarters in İstanbul or its business partners in Bangladesh and presented to global customers.

The Design, Innovation and Business Development Centre in London moved into its own building in 2023.



05

SUSTAINABILITY

Aster Textile has created and integrated a holistic sustainability strategy into its business model that enables it to manage all its economic, environmental and social impacts under a single roof.

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SUSTAINABILITY STRATEGY

The ready-made sector in which Aster Textile operates faces many social and environmental challenges. In line with its responsible management approach, Aster acts with the vision of “Thoughtful Living” to be involved in solving these problems.

Aster Textile has created and integrated a holistic sustainability strategy into its business model that enables it to manage all its economic, environmental and social impacts under a single roof. Remaining committed to developing an inclusive approach, Aster focuses on core practices that are aligned with stakeholder feedback and expectations. Positioned along five main categories, the strategy sets different actions to create value in the field of sustainability under each main category.

SUSTAINABLE PRODUCTS

SUSTAINABLE SUPPLY CHAIN

HUMAN HEALTH AND WELL-BEING

RESPONSIBLE MANAGEMENT

ENVIRONMENTAL AWARENESS



RESPONSIBLE MANAGEMENT, ENVIRONMENTAL AWARENESS AND SUSTAINABLE SUPPLY CHAIN

Aster Companies Group is continuously expanding its investments in facilities, infrastructure, technology and digitalisation in line with its strategy of a strong internal capacity with vertical integration.

In this process, the Group has integrated the cornerstones of its sustainability strategy into its decision-making mechanisms and operational plans. Within the framework of its responsible management approach, it acts without compromising these criteria in both investment decisions and plant, machinery and technology choices, and takes the following actions while still in the investment phase:

- Choosing machines with the lowest environmental impact and low water and energy consumption,
- Supporting processes with the most advanced water and heat recovery modules currently available,
- Traceable, fast and accurate process management with digital solutions using full automation and artificial intelligence,
- Ensuring the integration of existing processes with renewable energy use, rainwater collection and treatment systems, wastewater recovery solutions. .

Aster Textile measures and verifies the environmental impacts of its operations, both for its own factories and for the facilities in its supply chain, based on international standards and certifications. It continuously strives to improve its management systems by taking a holistic approach to economic, social and environmental sustainability. In addition to ISO 9001 and 27001, the Group also obtained ISO 14001 certification in 2021.

IN ADDITION TO **ISO 9001** AND **27001**

WE ALSO RECEIVED **ISO 14001** CERTIFICATION IN 2021



SUSTAINABLE PRODUCTS

Aster Textile offers its customers innovative solutions from design to production through R&D and P&D studies and investments that will increase product quality, durability, reuse and recycling capabilities and thus increase the added value of the product and reduce its environmental impact.

In addition, it continuously improves its certification processes and collaborations to ensure that its raw materials are transparent and traceable from the source to the final product. The company integrates raw material, fabric and finished product tracking systems that enable the use of new raw materials such as Regenerative Cotton into its facilities and ERP systems.

Aster Textile continues to develop its collaborations locally and globally as part of the continuation of the Aster Second Life© Project, in which it provides a second chance of life to waste materials. This enables the company to reuse the waste from its operations in the production of yarns, fabrics and accessories, and to continuously improve the quality and diversity of the resulting material.



SUSTAINABILITY GOALS

Aster Textile aims to further expand its range of value-added sustainable fabrics and products that will support its growth by strengthening its global collaborations. It aims to minimize the environmental impact of these processes by using its technology infrastructure, which transfers all product development processes to the digital environment, as well as its experience in an integrated manner with all its customers.

The end consumer's buying habits are shifting from easy-to-buy and quickly obsolete to higher quality, long-wear products. Aster Textile believes that this change is accelerated especially by the younger generation's perspective of a more sustainable future. It is committed to increasing its efforts with its employees and stakeholders to increase this change and awareness, which is very parallel to its Thoughtful Living approach, and to expand its projects and collaborations in this context.

ENVIRONMENTAL AWARENESS

One of the primary goals of Aster Textile’s sustainability strategy is to use low-impact materials as much as possible and to minimize the negative impact of waste in the sector.



Sustainable Material Utilization Rate - Performance of certified Sustainable Materials used in collections and orders

SUSTAINABLE MATERIAL	2019	2020	2021	2022	2023
Order Ratio with Certified Sustainable Fabric	4%	5%	17%	50%	62%

2023 - HIGG Performance: HIGG FEM (Environment) module assessment is carried out at all locations. For the last four years, this data has been verified by third-party independent organisations.

HIGG FEM	2019	2020	2021	2022
Average Score of All Locations After Verification	21.3	41.87	61.82	76.1

Since the verification audit is completed in June based on the data entered in March each year, there is no data for 2023 in the table. 2022 data was finalized after verification audits in June 2023 (2023 data will be verified in June 2024).

SCOPE

ENVIRONMENTAL MANAGEMENT



ENERGY AND GREENHOUSE GAS EMISSIONS



WATER MANAGEMENT



WASTE MANAGEMENT



WASTEWATER



AIR EMISSIONS



CHEMICALS MANAGEMENT



ASTER’S CARBON FOOTPRINT

For the measurement and reporting of greenhouse gas emissions at the organisational level, Scope-1 and Scope-2 greenhouse gas emissions are calculated internally according to the ISO 14064-1 Standard.

Currently, tracking energy consumption and greenhouse gas emissions per product enables the development of a roadmap for higher efficiency. HIGG Plant Environmental Module Index score is also improved by covering more sections in detail.

Since 2021, all electricity has been generated from 100% renewable sources certified by the International Green Energy Certificate (I-REC), reducing total greenhouse gas emissions by 50% in Scope-1 and Scope-2.

In 2023, 55% of electricity consumption will be met by the company through a rooftop solar energy investment with an installed capacity of 4 MW.

nr

HUMAN RESOURCES

The professional and personal training programs under Aster Academy were transferred to an online platform, making them easily accessible from anywhere at any time.

84 ASTER ACADEMY

85 PERFORMANCE MANAGEMENT

06



Employee satisfaction and motivation are critical elements for the company to achieve its goals and success. At Aster, all communication is based on transparency and trust.

The human resources policy is based on the principles of non-discrimination, equality, justice and fairness. This policy is also a critical component of Aster's corporate culture.

Aster Textile attaches great importance to the development of its employees, which it considers as its greatest strength, and works with great care and diligence to support the development of both its employees and the people living in the regions where it operates. In this context, the company launched Aster Academy and trained internal coaches and trainers, making personal development and professional orientation training for new graduates more comprehensive and long-term. In addition, it continues to enrich its online training modules to ensure accessibility from every platform.

Joining the UNGC Target Gender Equality Program in 2020, Aster Textile is one of the first participants of the program. Updating its policies and practices to support equal opportunities, the company organizes trainings on gender bias and gender-based violence for its employees every year. In 2023, a three-year training program project for all female employees was launched with internal trainers, aiming at the personal success and career empowerment of blue-collar female employees.

Aster Textile focuses on the development of its employees, whom it considers as its greatest strength. While attaching importance to the development of its employees and the people living in the regions where it operates, it works with great care and diligence to support the development of both its employees and the people living in the regions where it operates.

ASTER ACADEMY

Aster Academy was established to empower and support human resources, the most important asset, in their personal and professional development and adaptation to a changing world.

LEADERSHIP ACADEMY “LEADERS OF ASTER”

The Leadership Academy was established to train leaders who will carry Aster Textile into the future. The Academy supports and develops management skills.

COACHING AND GUIDANCE “TALENTS OF ASTER”

In-house coaches are trained through this program. Coaches accompany and guide outstanding employees who make a difference in their current positions on their career paths.

TECHNICAL AND VOCATIONAL EDUCATION “TRAINERS OF ASTER”

Enhancing the technical knowledge and skills of Aster employees, this training program complements the vocational training provided to employees for their development.

NEW GRADUATE TRAINING PROGRAM “THE FUTURE OF ASTER”

The program is aimed at young graduates with the desire and determination to learn about Aster and join the company.

COMPETENCE AND SKILLS TRAINING “DYNAMICS OF ASTER”

This training initiative aims to provide employees with the necessary knowledge and skills to adapt to the changing dynamics of the world and aims to create efficient and beneficial business processes.

PERFORMANCE MANAGEMENT

Aster is committed to creating and developing favourable environments for employees to have a say in the company's activities and to actively participate in them.

At Aster, we consider our human resources as the most important element in achieving our strategic goals and creating value, which is why we always prioritise investment and development in people.

In 2023, Aster started using the OKR performance evaluation system and introduced a system accompanied by the Twiser platform. The system has the following characteristics:

- Focusing on the future rather than measuring the past,
- Supporting regular and healthy communication within and between departments,
- Transparent, manageable and timely goals that encourage internal alignment and collaboration.

Aster is committed to creating and developing favourable environments for employees to have a say in the company's activities and to actively participate in them.

Through Aster's Great Idea initiative, employees are invited to submit ideas and suggestions about their work processes and work life, and those that are applicable are evaluated. The company also has an open-door policy that encourages all employees to contact the Human Resources Department at any time and share their requests, demands, suggestions and opinions.



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HUMAN AND SOCIETY

Next year, Aster plans to develop collaborations with stakeholders and social initiatives and civil society groups related to the sector.

88 TARGET GENDER EQUALITY PROGRAM

89 HIGG FACILITY SOCIAL IMPACT AND WORKFORCE MODULE 2023



Next year, Aster plans to develop collaborations with stakeholders and social initiatives and civil society groups related to the sector.

In addition to its economic contribution, Aster Companies Group is committed to offering social benefit and supports social development. In this context, it develops social responsibility projects together with its stakeholders to contribute to society and is involved in initiatives that appeal to all segments of society, supporting culture and arts, education and the natural environment. These efforts demonstrate Aster's commitment to being a good corporate citizen.

Aster adopts responsible investment principles when planning its investments. Next year, it plans to develop collaborations with stakeholders and social initiatives and civil society groups related to the sector. It aims to continue supporting the social responsibility projects carried out by its employees through social clubs and to expand the scope and impact of these projects.

Through Aster Foundation, established in 2014, Aster plans to organise long-term improvement projects for society. Since its inception, it has provided educational scholarships for more than 3,000 students during their academic years. The Foundation continues to cooperate with education and charity foundations with a similar vision for social benefit.

Aster's contribution to education is not limited to providing scholarships to needy students throughout their education. In 2017, with the support of Aster, Birsen Koçali Alış Primary School was built in Arpaçay, Kars. In addition to classrooms, the school also houses a kindergarten, a library, a cafeteria and teacher lodging. Aster representatives regularly meet students at the school and organise various events.

Aster supports volunteer work in many different fields such as art, health, animal rights, environment and human rights. It collaborates with leading civil society organisations working on these issues. To date, unique collaborations have been developed with the Foundation for Children with Leukemia (LÖSEV), Tohum Autism Foundation, Koruncuk Foundation, the Association for Supporting Contemporary Life and the Association of Cancer Fighters.

Aster Companies Group will always act with the awareness of its responsibility towards its stakeholders and nature in all the projects it will undertake in the future.

TARGET GENDER EQUALITY PROGRAM

Aster Textile, a signatory to the Women's Empowerment Principles and the UN Global Compact, was one of the first companies to join the "Target Gender Equality" program during the 2020-2021 period.

The program was launched in 19 countries by the United Nations Global Compact to increase the representation of women on company boards and in senior management positions.

Target Gender Equality is an accelerator program that promotes business success, sustainability and contribution to Sustainable Development Goal 5.5, which targets "ensure women's full and effective participation and equal opportunities for leadership" through:

Facilitated performance analysis

Capacity building workshops

Peer-to-peer learning

Multi-stakeholder dialogue at country level

HIGG FACILITY SOCIAL IMPACT AND WORKFORCE MODULE 2023

HIGG Facility Social Impact and Workforce Module was introduced to measure and improve social impact with a universal and fully transparent tool.

RECRUITMENT AND EMPLOYEE SELECTION

100%
Self-assessment

93.5%
Approved

REMUNERATION AND SIDE BENEFITS

92.1%
Self-assessment

91%
Approved

EMPLOYEE ENGAGEMENT

87.4%
Self-assessment

90.4%
Approved

LAYOFFS AND HEADCOUNT REDUCTION

100%
Self-assessment

100%
Approved

WORKING HOURS

100%
Self-assessment

100%
Approved

TREATMENT OF EMPLOYEES

100%
Self-assessment

98.8%
Approved

HEALTH AND SAFETY

97.1%
Self-assessment

97.3%
Approved

MANAGEMENT SYSTEMS

78.2%
Self-assessment

78.2%
Approved



A S T E R
TEXTILE