



2021

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**SUSTAINABILITY  
REPORT**

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# INDEX

3 / **ERTE COSMETICS**  
**MESSAGE FROM THE CHAIRMAN**

4 / **2021 SUSTAINABILITY REPORT**  
**ABOUT**

5 / **ABOUT ERTE COSMETICS**

6 / **ERTE COSMETICS MISSION, VISION, AND VALUES**  
**CORPORATE GOVERNANCE AND MEMBERSHIPS**

7 / **SUSTAINABILITY JOURNEY**  
**SUSTAINABILITY POLICY AND PRIORITIES**

9 / **SUSTAINABILITY PRIORITIES**  
**IDENTIFICATION PROCESS**

15 / **HR POLICY**  
**EMPLOYEE PROFILE, ENGAGEMENT, AND SATISFACTION**

19 / **OCCUPATIONAL HEALTH AND SAFETY**

21 / **CONTRIBUTION TO SOCIETY**

23 / **QUALITY, INNOVATION, AND R&D ACTIVITIES**

24 / **CONSUMER/CUSTOMER HEALTH AND SAFETY**  
**CONSUMER AND CUSTOMER SATISFACTION**

26 / **RESPONSIBLE SUPPLY CHAIN**

28 / **ENVIRONMENTAL MANAGEMENT**

30 / **ENERGY MANAGEMENT AND EMISSIONS**

33 / **WATER MANAGEMENT**  
**WASTE MANAGEMENT**

35 / **CIRCULAR ECONOMY**

# ERTE COSMETICS

## MESSAGE FROM THE CHAIRMAN

Distinguished stakeholders,

As Erte Cosmetics, we decided to publish our 2021 Sustainability Report in order to deepen our sustainability efforts with the awareness of the responsibilities of being an international cosmetics company and at the same time to share our practices and goals with our stakeholders.

While formulating our sustainability strategy, we took into consideration the dynamics of our industry and the expectations and demands of our stakeholders. Both strategically and from the perspective of our stakeholders, Product Quality and Customer Satisfaction, Employee Rights, Consumer Health and Safety, Occupational Health and Safety, and Responsible Production are the priority areas we need to manage.

We have linked the goals we set and the steps we will take within the scope of our sustainability strategy with the Sustainable Development Goals. For this reason, we will carry out projects and activities that support Sustainable Development Goals more intensively in the coming period. We see that sustainable development goals and a responsible management approach offer various opportunities to move our company forward;

in this context, we will strive to ensure that all our business units actively participate in our sustainability journey and internalize the culture of both increasing business efficiency and continuity and doing business in better conditions.

This first report was useful in evaluating our work in terms of international indicators and integrating these indicators into our business processes. Our report also gave us the opportunity to share our sustainability efforts

with our stakeholders. As we move forward with our sustainability strategy and goals, our reports will remain up-to-date.

We would like to extend our gratitude to all our stakeholders, especially our colleagues, customers, board members, suppliers, and business partners, who have made significant contributions to the process of formulating our strategy and the achievements we have obtained.

With my kindest regards, Chairman

*Turgut Tepret*



# ABOUT THE 2021 SUSTAINABILITY REPORT

Erte Cosmetics takes steps to make its business processes more systematic, transparent, and measurable based on international sustainability standards.

As Erte Cosmetics, 2021 was determined as the year in which environmental, social, and governance performance and impacts were examined in detail, a sustainability-oriented stakeholder dialog was developed, and the first sustainability report was prepared.

The information in this report covers the activities of Erte Cosmetics between January 1, 2021, and December 31, 2021.

Mikado Sustainable Development Consulting supported the preparation of the report. The report was not externally audited. This report was prepared in accordance with the "Core" option of the Global Reporting Initiative (GRI) Standards.

The sustainability priorities determined by Erte Cosmetics with inclusive stakeholder participation are presented under the title "Our Priority Sustainability Issues".



# ABOUT ERTE COSMETICS

Erte was established in 2003 and is a subsidiary of Erkul Group. Erte Cosmetics is a leading strategic partner for contract manufacturing and private label production.

Erte Cosmetics, one of Turkey's largest cosmetics manufacturer, manufactures perfumes, personal care, skin care, sun care, and men's care products and air fresheners in a fully automated factory built on an area of 40,000 square meters in Istanbul under hygienic conditions, and exports to 65 countries in addition to marketing domestically. As a rapidly growing cosmetics company, it offers full service to all its global customers with design teams in London and business development teams in Paris, in addition to manufacturing with its own teams in Istanbul.

Erte Cosmetics acts on the basis of the principle of transparency at every stage of production, from raw material procurement to packaging. This approach not only optimizes efficiency but also ensures the highest quality control standards. Erte Cosmetics manufactures all its products according to European Quality Standards and Good Manufacturing Practices.

The activities carried out within Erte Cosmetics, which is able to produce special products according to the demands of cosmetic brands with its high-quality and multifunctional filling lines, state-of-the-art equipment, and experienced team, can be summarized as follows:

- Primary and Secondary Packaging Design

- Delivering Packaging Solutions
- Developing Product Formulation
- Regulatory and Claims Testing and Evaluation of Pre-Production Samples
- Filling, Packaging, and Logistics

With its expertise in the cosmetics market, Erte Cosmetics offers efficient solutions for private label, contract manufac-

turing and branded products

to meet the needs of consumers and provides a full-service offering covering all aspects from concept to design, R&D, packaging selection, and manufacturing.

Erte Cosmetics, being in the field of health and beauty, offers a wide range of product services to its customers through retail, direct sales, and e-commerce channels.

Erte Cosmetics serves the UK, Europe, Russia, the Middle East, North and South America markets.



# GOVERNANCE

## ERTE Cosmetics Vision, Mission, and Values

Good governance for companies today encompasses the mechanisms and processes that stakeholders and communities within the company use to jointly make and implement decisions, voice their interests, fulfill their responsibilities, and resolve conflicts. Good governance enables interaction within the company and between stakeholders. Within the concept of good governance, companies have responsibilities such as transparency, openness, accountability, participation, efficiency, and adherence to the law.

Erte Cosmetics transforms the way it does business within the framework of these principles.

### Mission

With our continuous improvement culture through on-trend innovations, capability investments and cost efficiency programs, we are solution partner to many leading private brands in the world to make beauty more beautiful.

### Vision

We offer a world of possibilities with only two non-negotiables: quality and responsibility, in everything, everywhere and all the time.

As a purpose-driven company to democratise beauty, we aim to be a global player and to shape the future of beauty by nurturing trust and lasting partnerships with our clients, suppliers and employees.

### VALUES



**WE ARE RELIABLE AND FAIR**

We value our stakeholders' opinions, and based on our honesty principle we do not make any promises we cannot keep.



**WE ARE CUSTOMER-ORIENTED**

We work diligently to ensure sustainable, trust-based and constructive relations with our customers. We never cease to provide the best services by understanding their expectations and demands to create mutual values.



**WE ARE SUCCESSFUL**

We acknowledge that it is our duty to continuously seek for better results/achievements; this makes us who we are and is one of our most important values. Even if our goals may become challenging, having full confidence that we will achieve even in the most difficult conditions without despair, we never give up on our belief that the strength we get from our employees will always lead us to prosperity.



**WE ARE INNOVATIVE**

We know very well that innovation is a journey, indispensable for our sustainable growth. With this mindset, we never stop renewing our business processes elevating our technology, and improving the quality and diversity of our product range by constantly and closely following global trends and developments.



**WE RESPECT HUMANS**

Honoring the dignity of every human being, we do not compromise from respect, sincerity, or transparency in our relations with our customers, suppliers and every segment of the society, and especially with our employees.

### Corporate Management

The management organization of Erte Cosmetics consists of senior managers reporting to the Chairman of the Board of Directors, and mid-level managers reporting to them. Decisions on all matters are taken by senior executives in consultation with the Chairman of the Board of Directors.

In the company, the Chairman of the Board of Directors delegates relevant general economic, environmental and social issues to the employer's representative and the Human Resources Department. Then, a joint announcement is made to ensure that company employees are informed about the relevant topics. If these topics are related to the employee, a one-on-one meeting is held between the senior manager of the relevant employee and the Chairman of the Board of Directors. The employee is informed by his/her senior manager.

### Corporate Memberships

- Istanbul Chemicals and Chemical Products Exporters' Association
- PLAT - Private Label Association of Turkey

The company became a full member of Istanbul Chemicals and Chemical Products Exporters' Association on April 2005, and has been a full member since then.

The company has been the member of the Private Label Association of Turkey since 2018.

### Received Awards

Erte Cosmetics received the following awards from Istanbul Chemicals and Chemical Products Exporters' Association:

- 5th place award in the Personal Care Category of the Stars of Export in 2021,
- 5th place award in the Personal Care Category of the Stars of Export in 2020,
- 2nd place award in the Personal Care Category of the Stars of Export in 2019,
- 2nd place award in the Personal Care Category of the Stars of Export in 2018.





# **Erte's Sustainability Journey**

# SUSTAINABILITY JOURNEY

Erte Cosmetics has decided to carry out its sustainability-related activities under the guidance of a sustainability policy and strategy as of 2021. In this direction, a sustainability committee consisting of representatives of all units was established. Starting from 2022, the Committee held regular meetings and started to implement sustainability-related actions and targets.

In this process, both the management perspective of the Sustainability Committee and the stakeholder perspectives of key stakeholders identified the issues that should be prioritized in Erte Cosmetics' sustainability management.

# SUSTAINABILITY POLICY

- As a globalizing Turkish company, Erte Cosmetics conducts its business with the vision of sustainable growth.
- The Company manages its relations with all stakeholders within the framework of fair competition and ethical values in compliance with local and international laws.
- Erte Cosmetics develops its products without compromising on quality in light of the needs and expectations of its customers.
- Erte Cosmetics observes and protects the health and safety of its consumers with a responsible production approach.
- Ensuring occupational health and safety in operational processes within the company is a priority. Accordingly, the company complies with all relevant local and international legislation and ensures the improvement and continuity of its management systems.
- Erte Cosmetics encourages local employment, respects the rights of its employees, and ensures equal opportunities.
- Erte Cosmetics does not test on animals and cares about the protection of the whole ecosystem.
- It integrates efficient resource utilization, recycling, and waste management into its business culture with a responsible producer approach towards nature.

# SUSTAINABILITY PRIORITIES

Corporations should formulate their sustainability strategies and reports within the framework of critical and prioritized sustainability issues for the corporation and the sector. Therefore, it is critical for corporations and their stakeholders to identify priority sustainability issues.

At the stage of determining the sustainability priorities of the corporation:

- Strategically prioritized sustainability issues should be identified by decision-makers, taking into account the company's vision and goals;
- Stakeholders' expectations and priorities should be collected through stakeholder dialogue and feedback.

Stakeholder engagement is a prominent element of responsible management. A company's activities and the way it conducts them affect not only business performance but also stakeholders. To be successful in the long term, corporations need to create values that center their stakeholders and society in general.

A stakeholder-inclusive materiality study helps to identify the issues that contribute to the corporation's business success today and tomorrow, and helps corpo-

rations to gain insight into the issues, expectations, and requirements that are important to their stakeholders.

In this context, during the preparation of Erte Cosmetics' Sustainability Strategy, a materiality study was conducted to identify sustainability priorities that are both in line with the company's vision and goals and meet the expectations of stakeholders.





## **Erte's Sustainability Materiality Identification Process**

# MATERIALITY PROCESS

## Preparation

Sustainability issues that can be prioritized were listed by examining sectoral dynamics and relevant internal/external resources.

For Erte Cosmetics, 19 issues that can be prioritized have been identified.

## Identifying Strategic Priorities

A materiality workshop was held with the Sustainability Committee representing the senior management to identify sustainability issues of strategic importance for Erte Cosmetics.

## Identifying Priorities for Stakeholders

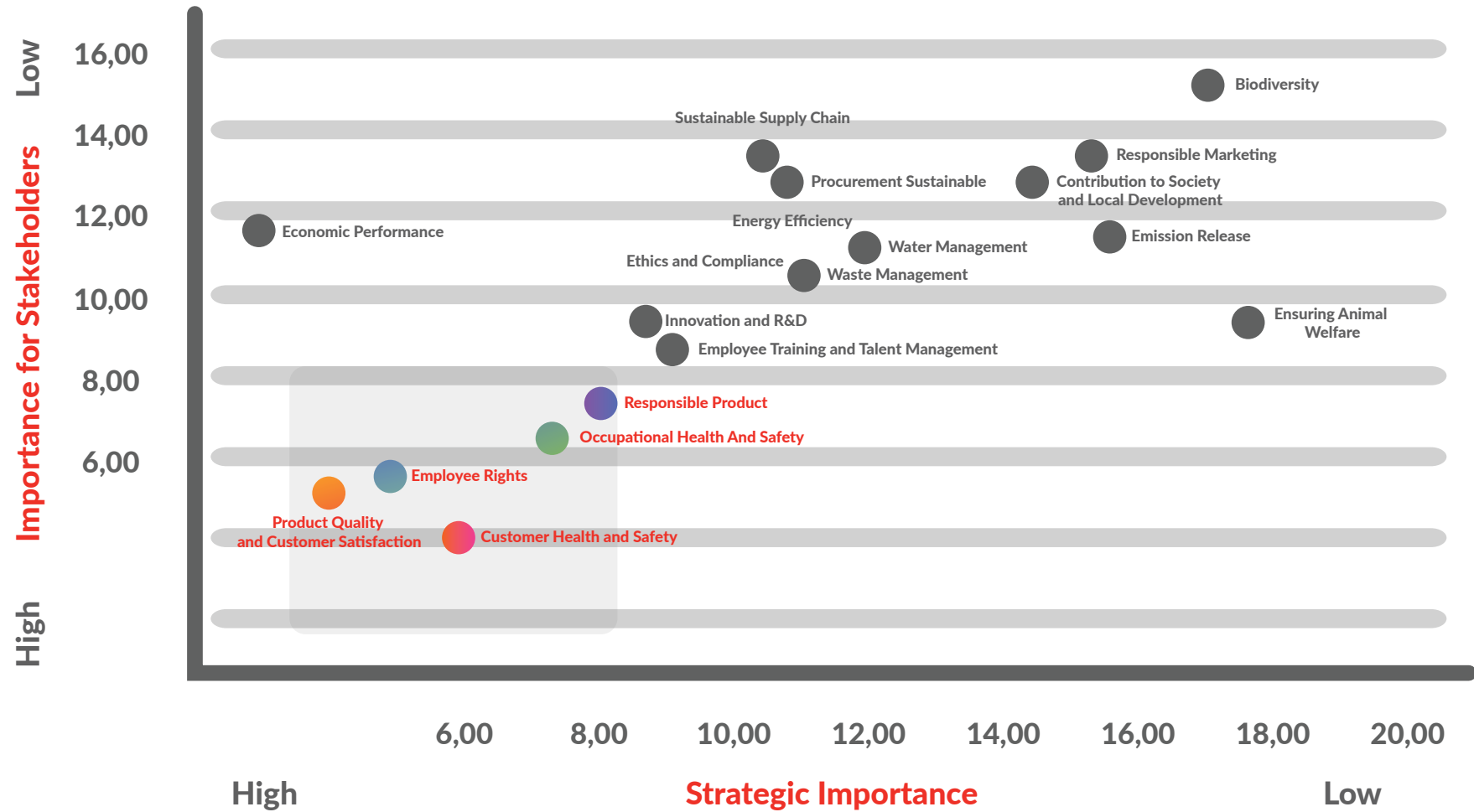
Face-to-face workshops and/or online surveys were conducted with stakeholder groups to learn about sustainability issues that are important for Erte Cosmetics stakeholders and to receive stakeholder feedback.

30 stakeholder representatives, including 9 members of senior management and 21 employees, participated in the workshops. Surveys were participated in by 13 stakeholders.

## Identifying the Sustainability Materiality of Erte Cosmetics

By consolidating the results received from senior management and stakeholders, material issues for Erte Cosmetics were identified and Erte Cosmetics' Sustainability Materiality Matrix was created.

# MATERIALITY MATRIX



# SUSTAINABILITY PRIORITIES

As seen in Erte Cosmetics' Sustainability Materiality Matrix, the high-priority Sustainability issues that emerged in line with the feedback of senior management and key stakeholders are as follows:

- Product Quality and Customer Satisfaction
- Employee Rights
- Customer Health and Safety
- Occupational Health and Safety
- Responsible Production

On the other hand, if we look at the sustainability priorities that stand out in each group, the priority issues identified by the Sustainability Committee representing Erte Cosmetics Senior Management are Economic Performance, Product Quality, and Customer Satisfaction and Employee Rights.

For Erte Cosmetics employees, Employee Rights, Customer Health and Safety, and Occupational Health and Safety were prioritized as a result of the workshop.

With the materiality survey, both Turkish and foreign customers among Erte Cosmetics' stakeholders were reached. Employee Rights, Responsible Production, and Customer Health and Safety were prioritized by Turkish customers, while foreign customers prioritized Product Quality and Customer Satisfaction, Customer Health and Safety, and Innovation and R&D.

The priority issues identified by Erte Cosmetics' suppliers were Customer Health and

Safety, Product Quality and Customer Satisfaction, and Responsible Production. Finally, the top 3 priorities identified by the Consultant were Customer Health and Safety, Employee Rights, and Occupational Health and Safety.

Through this classification, it is observed that all stakeholders agree on **Consumer Health and Safety**. However, this classification does not change the fact that all priority issues should be managed at Erte Cosmetics within the framework of a responsible management approach. All issues in the matrix stand out as critical issues to be managed by setting targets on a yearly basis under the sustainability strategy.

As the understanding of sustainability and a responsible management approach becomes widespread in the company, awareness will increase, and sustainability materiality may change over time. In addition, new and major investments, changes in areas of activity, and changes in stakeholder groups and their needs may also lead to changes in sustainability materiality. For this reason, it is beneficial for this study to be updated at regular intervals following the establishment and implementation of Erte Cosmetics sustainability strategy in 2022.



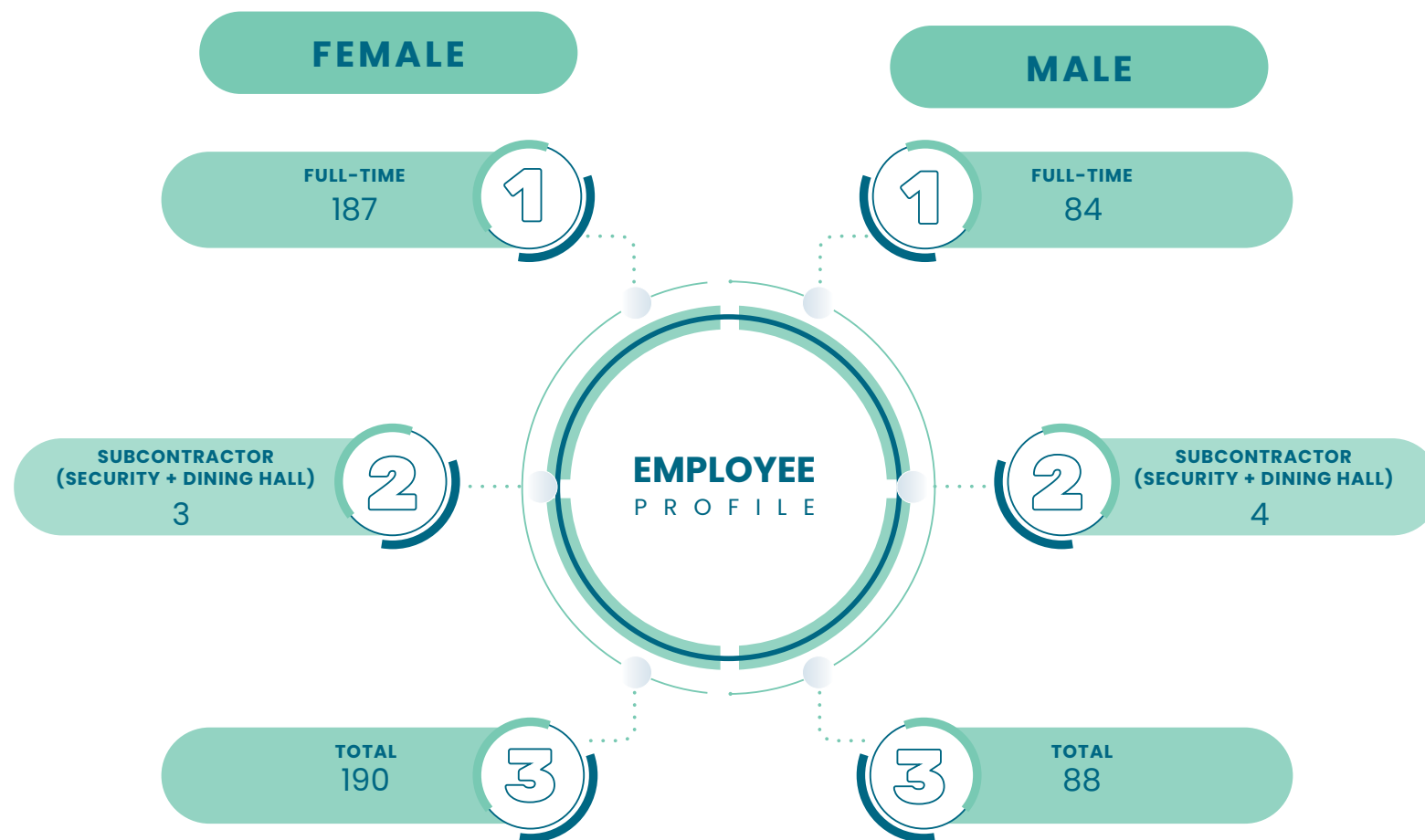
# ECONOMIC PERFORMANCE

## GROWTH RATE BY YEAR



Erte Cosmetics ensures the development of the sectors it cooperates with in the production process and generates economic value within these sectors. The company provides a wide range of employment opportunities, contributing to a regular source of income in the region. Erte Cosmetics has a strong presence in the export markets of the cosmetics sector and exports to many countries. In the Personal Care Products Export ranking, it ranked second in 2019 and fifth in 2020 and 2021. A new facility investment of USD 30,000,000 was made within the company, increasing personal care production capacity and alcohol-based production capacity by 600%. Machinery and equipment investments were also made for the Robotic Perfume Filling Line and Liquid Filling Line. Having expanded its production facilities, Erte Cosmetics continues to function at full capacity in 2021. It contributes to local and regional growth with its investments and sustainable performance. **The company has recently made a green energy investment of 1.4 million dollars. With the 1.7 Megawatt (MW) installed capacity solar energy project, the company will cover its energy consumption from renewable energy sources.**

# EMPLOYEE DEVELOPMENT



Erte Cosmetics always prioritizes fundamental human rights, health, and safety of its employees. Equal opportunities are provided to employees in all human resources processes such as recruitment, performance evaluation, training and development, remuneration, and the empowerment of women in the workplace and society is supported. 69% of Erte Cosmetics employees are women; in this context, Erte Cosmetics makes a significant contribution to the employment of women. Erte Cosmetics plans to further increase the percentage of women and to contribute to women's greater presence in society.

# HR POLICY

## OUR HUMAN RESOURCES POLICY

We make a great effort to develop a stronger corporate culture and human resources management approach that focuses on our employees by putting the values of our company into practice.

We do not give up on being fair to our employees, creating a productive working environment that ensures equal opportunities, sharing our thoughts openly with them, and benefiting from their innovative ideas.

## RECRUITMENT

Along with the qualifications and competencies required by the right employee for the right job, the existence of attitudes and behaviors that will adapt to our corporate culture is extremely important to us. We select and hire candidates who can make the best use of the knowledge they have outside the school they graduated from, who are open to learning, and who will work in harmony with their teammates.

## TRAINING AND DEVELOPMENT

Since the sector we are in and the work we do are people-oriented, we implement development programs supported by different learning tools in order to do our job with great care and in the best way possible.

## CAREER MANAGEMENT

We believe that every employee has a talent that they can use while doing their job. Our aim is to define the appropriate environment in which our employees can realize their career goals, to ensure equal opportunity in

terms of appointments and promotions, and to give opportunities to our internal employees for new positions in our corporation.

## PERFORMANCE MANAGEMENT

We evaluate our employees with a fair, objective, and measurable system in which they all work together towards the same goal for the realization of our corporate goals, and we guide them when they experience difficulties in achieving their business objectives.

## OUR FAMILIES

In the scope of our efforts to create a stronger corporate culture, we extend our human resources practices to our families, believing that families are as important determinants of our success as our employees.



# I Have an Idea!

**DISTINGUISHED COLLEAGUES,**  
We are aware that you are the ones who know best the development areas and improvement opportunities of the business processes in our company. For this reason, we are now offering you an opportunity to share your ideas with us.

**TOPICS YOU MAY GIVE A NEW IDEA ON?**

- Managing our businesses more efficiently.
- Making savings for more efficient use of resources.
- Improving the way we do business.
- Increasing our operating revenues, etc.

**THE PERSON TO WHOM YOU WILL SUBMIT YOUR INNOVATIVE IDEAS?**  
Via e-mail at: [esra.kahveci@ertecosmetics.com](mailto:esra.kahveci@ertecosmetics.com)  
If you write it on a blank piece of paper, you can deliver it to Esra KAHVECİ at the Human Resources Department. You can leave them in the new idea boxes in the dining hall.

**DEADLINE FOR SUBMISSIONS?**  
31.08.2022

**HOW YOUR INNOVATIVE IDEAS WILL BE EVALUATED?**  
All ideas and suggestions will be evaluated by a committee including our senior management.

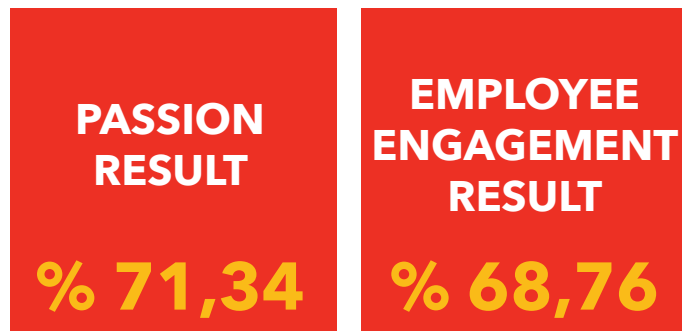
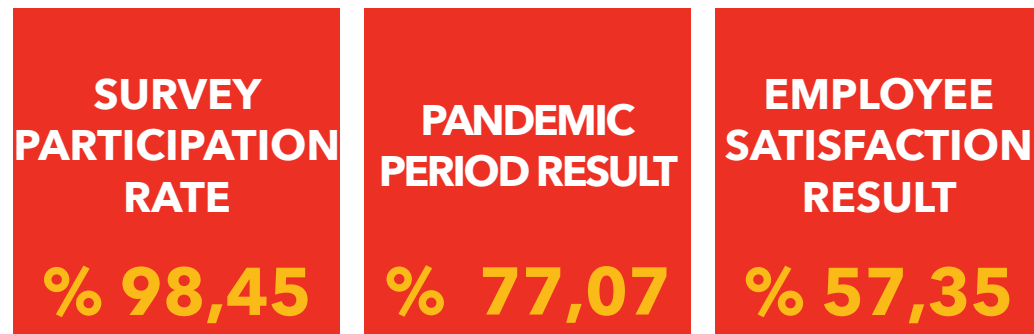
**WHAT HAPPENS AFTER THE EVALUATION?**  
We have surprise prizes for suggestions to be implemented!




# EMPLOYEE PARTICIPATION AND SATISFACTION

Erte Cosmetics employees have an internal communication channel that creates added value for the company and where the importance of their ideas and participation is shared. There are electronic information screens, survey applications, and a mailing system for internal communication. There is a process to measure the satisfaction of Erte Cosmetics employees through working life research surveys. Action plans are developed in line with the results. After the implementation of the actions planned for each year, the current expectation levels are determined by repeating the research surveys, and continuous development and satisfaction improvement efforts continue with action plans that are renewed by identifying areas for improvement in each period.

Surveys on working life, an honor and award system, special day celebrations, and transfer of internal communication channels to digital screens are important actions that were taken in this area. It is planned to form volunteer teams for social and sports activities. In addition, our employees are given one day of leave on their birthdays.



**Murat DAKA**

*Purchasing Executive*

I have been working for Erte Cosmetics for 5 years.

When I think of Erte Cosmetics, I think of a global company that respects its employees, operates in accordance with procedure at all stages, and constantly renews itself. Compared to other companies, its stages are more planned and controlled, and it promises a future for its employees. Being able to observe the developments within the company also keeps us motivated.



**Elif Bersu GÜVEN**

*Quality Control Specialist*

I have been working for Erte Cosmetics for 8 months.

When I think of Erte Cosmetics, I think of a customer-oriented, quality-oriented company with dedicated employees that respects all its people. The difference compared to other companies is that it is a company that constantly develops, renews itself, and carries out all its work in accordance with the procedures. Every stage is being carried out with great care. It has a large international audience including both contract and Private Label. We can say that the reasons for this are its creativity, product diversity, and the fact that it thoroughly fulfills its promises to the customer. I feel very safe working here. The fact that I can easily express my views and receive feedback increases my motivation to work.





Work Life Research

2022 ACTION PLAN

# Human Resources

## 1- Recognition and Reward

- 1.1 - Creating a business model that defines recognition and reward practices.
- 1.2 - Celebrating the special days of our employees.

## 2- Performance Management

- 2.1 - Implementing a performance management system.

## 3- Internal Communication

- 3.1 - Using electronic information screens to provide our employees with more information about our company's practices.
- 3.2 - Preparing an internal communication plan that defines our internal communication practices.
- 3.3 - Planning social and sports activities.
- 3.4 - Establishing a team of employee representatives to lead the Work Life Actions.
- 3.5 - Establishing an internal communication board.

## 4- Professional Development

- 4.1 - Creating an Academy platform that includes all development platforms.
- 4.2 - Implementing the e-learning platform as a distance education model.

## 5- Leadership

- 5.1 - Implementing a leadership development program.

## 6- Career Opportunities

- 6.1 - Establishing career ladders by determining appointment and promotion criteria.

## 7- Economic Opportunities

- 7.1 - Establishing a grading system by making job evaluations in order to ensure fairness and equal opportunity in wages.

## 8- Valuing Employees

- 8.1 - Identifying our corporate values.

## 9- Working Environment

- 9.1 - Building recreational areas within the facility where employees can be together in the open air.



According to the results of the survey conducted in December 2021, a 9-item action plan for 2022 was developed.

# EQUAL OPPORTUNITY

Erte Cosmetics employees are managed with the principle of equality. Erte Cosmetics has an Anti-Discrimination and Social Compliance Policy in its Employee Management approach.



Our total female employee ratio is 69%. There is no policy on prioritizing women in terms of gender equality. In addition, the number of managers at the management level reporting to the general manager is 10, 6 of whom are women.



**Murat KORKMAZ**  
Graphic Design Specialist

I have been working for Erte Cosmetics for a year. When I think of Erte Cosmetics, I think of our values. Especially being innovative and successful. It offers us a more comfortable workspace and the opportunity to work with the best equipment than other companies in our country. We can express our opinions freely and we always receive feedback. The work planned for us, the employees, is quickly put into practice and shared with us. I can focus on what I am doing and carry out my work as planned. Training organizations increase my motivation to work.



**Pamuk BİLGİN**  
Environmental Engineer  
/ Social Compliance Manager

I have been working for Erte Cosmetics for 5 months. When I think of Erte Cosmetics, I think of a company that cares about its employees, trusts them, and offers them a comfortable working environment. Unlike other companies, what I observe the most is that access to personal protective equipment is very easy and can be used without any limitations. The fact that we are two separate blocks is very advantageous in terms of risk distribution. Apart from this, the fact that it is a new building and that drills are held twice a year increases our employees' awareness of emergencies and makes them more conscious of such incidents. Erte Cosmetics provides a safe, healthy, and comfortable working environment with its modern and technological machines as well as its modern design.



**Erte's  
Occupational Health and Safety (OHS) Policy**

# OCCUPATIONAL HEALTH AND SAFETY

As Erte Cosmetics, it is one of our basic principles to create a safe and healthy working environment for all our employees.

- In order to prevent occupational accidents, injuries, accidents with lost working days, occupational diseases, and all occupational safety gaps, we identify and assess occupational safety risks and take measures to reduce and prevent risks.
- We develop methods, set targets, and create management programs to form a sustainable OHS management system and continuously improve performance.
- To ensure Occupational Health and Safety in our facilities, we provide awareness training, determine OHS rules, and require all persons who may be affected by our risks to comply with the rules.
- We set an example by providing a healthy and safe environment for all our employees and all stakeholders who may be affected by our Occupational Health and Safety risks.
- We are committed to acting in accordance with the applicable Occupational Health and Safety legislation and other conditions.

Occupational Health and Safety is one of the most important issues for Erte Cosmetics. Erte Cosmetics production facilities are ISO 45001 certified, and all legal and humanitarian requirements are fulfilled within the scope of Occupational Health and Safety policy and practices. Erte Cosmetics employs a Class A occupational safety specialist and an occupational safety specialist from a ministry-approved Joint Health and Safety Unit (OSGB).

The root causes of the identified risks are investigated and transferred to the relevant units and the problems are resolved immediately. Since flammable and explosive chemicals are the main chemicals of use, fire prevention measures are prioritized. All personnel are periodically given informative and



# HAZARD IDENTIFICATION/ACCIDENT INVESTIGATION RISK ASSESSMENT

awareness-raising training on occupational safety for a minimum of six hours per person per year. Basic Occupational Health and Safety training is given to new employees and periodic training is provided throughout the working period. It is aimed to minimize accidents by creating annual training and work plans. Our employees are provided with protective equipment suitable for their work. Eye showers are available in each department and in our laboratories in the form of aqueous or buffer solutions.

A healthy and safe working environment is provided for all blue- and white-collar employees at Erte Cosmetics. Periodic inspections and maintenance of equipment are carried out regularly both by our own technical staff and by means of services provided by accredited organizations.

## Hazard Identification/Incident Investigation/Risk Assessment

Erte Cosmetics has a periodically renewed risk assessment document prepared with the Fine Kinney method, and an "Explosion Protection Document" filled in by accredited technical personnel since the company works with flammable and combustible chemicals. An Occupational Health and Safety Committee has been established and regular meetings are held at least once every two months to assess operational risks. In cases of occupational accidents, root-cause studies are conducted. Newly recruited personnel are provided with 12 hours of basic occupational health and safety training to familiarize them with their legal rights and responsibilities and to inform them about the working environment. The annual training plan is shaped according to the unit and work intensity of the employee.

The OHS expert regularly conducts field tours and

reports any negative issues. Erte Cosmetics resolves the negativities in the OHS report with department heads and management.

The Occupational Health and Safety Committee is regularly attended by two worker representatives, one worker per block. Five employees were elected as representatives. Erte Cosmetics employees play an active role in the risk assessment process. Periodic health examinations are conducted within the company.

Since the chemicals used in production facilities are flammable and explosive, measures to prevent static loading are prioritized. Grounding of electrical installations and equipment is regularly checked. Personnel work clothes are made of 100% cotton products. Forklifts are not allowed in the production area. Occupational accidents within the company are immediately recorded and reported to the Social Security Institution. The recurrence of occupational accidents is prevented by conducting root-cause studies. Occupational accidents are reported monthly.

Possible occupational diseases are prevented by means of regular health examinations. No occupational disease has been encountered since the establishment of the company. Erte Cosmetics' main goal is to eliminate the risks of occupational accidents and occupational diseases by ensuring the continuity of a healthy and safe working environment for its employees, and to make occupational health and safety a fundamental element of business conduct and culture by raising employees' awareness of their legal rights and responsibilities. Thermal comfort is provided for all personnel from warehouse to production and administrative staff. Protective masks and clothing are worn in case of intensive contact with chemicals in the production facility.



**Contribution to Society**

## CONTRIBUTION TO SOCIETY

Today, the success of companies is measured not only by their financial value but also by their contribution to the society of which they are a part. It has become a corporate responsibility of companies to undertake and implement initiatives that will add value to society.

As a result of the significant investment made by the senior management of Erte Cosmetics, a transition to new production facilities consisting of two different blocks was made in 2021. As a result of this investment, both the number of suppliers supporting Erte Cosmetics in the supply processes and the production capacity of the company have increased significantly. This increase also had a positive impact on employment. While designing the new facilities, it was taken into consideration that employees may enjoy working in a more social and comfortable environment.

### Community Investment Efforts

The company contributes to the sustainability of Art by exhibiting and purchasing the works of young artist candidates from Mimar Sinan Fine Arts University. Erte Cosmetics supports art and young artists as a social responsibility project. Granting awards for 51 works of art by 47 students, the company exhibits the works of young talents at Galeria Erte and ensures that the artists and their works are recognized globally.

Founded by a company that produces for 65 countries, the sales revenues of the works exhibited at Galeria Erte will be directly transferred to the students. One of the main missions of the project is for young artists, whose work will be exhibited for the first time, to start their careers with more confidence and motivation. Defining professional life as a new life, Erte Cosmetics officials named the exhibition "Re-Birth".

Various exhibitions will continue to be organized at the art gallery located in the Erte administration building to support the personal development of Mimar Sinan Fine Arts University students and to meet their economic needs.

Erte Cosmetics regularly recruits interns and students every year among students studying at vocational high schools and gives students the opportunity to get to know business life closely. In addition, within the framework of university and industry cooperation, internship opportunities are provided to students who continue their university education during the summer semester. Erte Cosmetics aims to cooperate with secondary and higher education institutions to organize seminars with the relevant department managers in these institutions and to enable students to visit the company and get to know the sector during their years of education.

## Stakeholder Opinion

### Murat ÖZTÜRK Seluz, Founder & CEO

Since the first day we rolled up our sleeves to establish a creative, qualified, and high-tech essence business in Turkey, we have been considering Erte as one of our most important business partners. The projects we have developed for Erte Cosmetics as a solution partner in the field of fragrance have provided an opportunity for our creative and technical teams to advance. An ethical approach, respect for business partners, society, and the environment, and an aesthetics-oriented and perfectionist design approach are just a few of the reasons why Erte is a company that stands out. The increase in the number of institutions such as Erte in every field will multiply the added value Turkey produces and raise our image even higher.



# QUALITY, INNOVATION AND R&D ACTIVITIES

Erte Cosmetics has made product quality and customer safety one of its top priorities while continuing its production activities. It invests in Innovation and R&D activities in line with its sustainability goals and innovative strategies.

Erte Cosmetics manufactures all its products according to European Quality Standards and Good Manufacturing Practice Standards. The company has a wide range of highly equipped, functional filling lines and labeling capacities that increase productivity and product quality. Erte has a highly experienced R&D team and an in-house quality control and microbiology laboratory focused on developing formulations that can meet each customer's demand.

The main objective of the Quality, Innovation, and R&D departments is to be best positioned in the local and global market by integrating sustainable economics into innovative investments and practices. By renewing production processes, it is aimed to increase profitability by increasing quality as well as reducing costs. As a result of these achievements, efforts are being made to create new products that satisfy consumers and help them lead a healthy life.

The production process is based on vegan, natural or sustainable raw materials. After

the product formulation and customer approval stages, fast-long stability, dermatological testing, and protective efficacy tests are carried out. Tests to support product claims such as paraben-free, allergen-free, product performance and efficacy tests are also conducted. After the test processes are completed, a product safety assessment report is prepared for the toxicological evaluation of the product.



The formulation process is designed to be vegan or natural, free of sulfates and similar chemicals, in line with customer demand. The rapid stabilization process starts with the customer sample. Any problems that may occur with the products are detected as soon as possible and customers are informed about the issue. After formula approval, long stability, dermatological testing, and protective efficacy testing are

performed on products with micro-biological reproduction risk. Special tests such as paraben-free, perfume-free, ophthalmologic testing, allergen-free, etc. are also carried out via contracted accredited laboratories during the product development process in line with customer demands. After the test processes are completed, a PIF (Product Information File) is prepared, and a product safety assessment is carried out. Raw materials that are not tested on animals are carefully selected in the formulas. The finished products are not tested on animals.

## Quality, Innovation, and R&D Good Practices

- Waterless cosmetics have been designed to reduce water consumption. All products in the category are in solid form, and research into biodegradable packaging to present these products is ongoing.
- No raw materials are tested on animals in order to ensure animal welfare. Declarations indicating that no raw materials used in the production process of Erte Cosmetics are tested on animals are obtained from raw material suppliers. Accordingly, BSE, TSE, and non-animal testing documents for finished products are shared with customers.



**ISO 9001:2015**

*Quality Management System*



**ISO 14001:2015**

*Environmental Management System*



**ISO 22716:2007**

*Cosmetics Good Manufacturing Practise*



**ISO 45001:2018**

*Occupational Health and Safety Management Systems*



International Labor Standards Group

DISNEY ILS



FDA REGISTRATION

**ILS Social**

*Compliance*

**U.S Fda Drug**

*Registration Certificate*



**Smeta**

*Sedex Members Ethical Trade Audit*



**Covid19 Safe**

*TSE Covid Safe Production Certificate*

**Consumer/Customer Health and Safety**



# CONSUMER/CUSTOMER HEALTH AND SAFETY

Erte Cosmetics holds ISO 9001:2015, ISO 22176 GMP, ISO 14001, ISO 45001, and Sedex social compliance certificates. The requirements of all management systems are followed and processes are monitored with the principle of continuous improvement.

- With the fully integrated compliance service it offers, Erte Cosmetics ensures the product quality and product safety its customers expect in all product realization processes such as product development and production processes, and the criteria of compliance with the laws and necessary legislation.
- Each stage of the product realization process is given individual attention, from raw material procurement to packaging, not only optimizing efficiency but also testing and evaluating each new product in accordance with relevant standards and regulations with a team of experts.
- With the laboratories established to ensure product safety and meet customer expectations, Erte Cosmetics product quality is ensured through both R&D studies and standard tests to check the safety and reliability of finished products.
- Quality Management System Quality Targets are determined, announced, and areas open to improvement are identified by considering environmental and occupational safety conditions in accordance with customer requirements, good production practices, and hygiene standards. Product safety is always prioritized and regularly reviewed, reported, and continuously improved to increase product efficiency.
- In order to be a leader in the sector, it produces quality, healthy and hygienic products based on

hygiene and sanitation in its production facilities.

- Information is systematically kept up-to-date by closely monitoring the relevant legal requirements in matters concerning operations in accordance with the requirements set out in the laws.
- At critical points, product, hygiene, occupational safety, and environmental impact controls are carried out and the conformity of products is audited.
- All products are evaluated for safety purposes in accordance with their intended use before they are placed on the market and reports are shared with customers. All necessary product claims are written on the product packaging after the tests and analyses and presented to the consumer.

## Studies on the Use of Raw Materials Harmful to Human Health

Dyestuffs and all components used in the products produced by Erte Cosmetics are selected in accordance with European regulations and regulations of the country in which the products will be sold and in a way that does not pose any harm to consumer health. The formulas do not include chemicals that are hazardous, may pose a risk to human health, and are prohibited in the regulations. All ingredients are up-to-date and controlled via the Cosmetic Ingredient Database. When there is a revision regarding the prohibition of use, the formula is checked again according to this database and if there is a prohibited substance, it is reformulated and removed from production.

Since 2012, trend analysis is been conducted on customer quality complaints.

# CONSUMER AND CUSTOMER SATISFACTION

Erte Cosmetics manufactures to meet the needs and wishes of its customers and measures the customer satisfaction rate after production.

As Erte Cosmetics, we work by prioritizing customer satisfaction in all business processes. Satisfaction assessments are carried out once a year with voluntary participation by receiving feedback from customers through evaluation surveys.

## 2022 Customer Surveys Satisfaction

Number of Surveys Answered

4

Total Number of Questions in Answered Surveys

40

What We Rated as "Excellent"

37

What We Rated as "Good"

3

What We Rated as "Normal"

0

What We Rated as "Bad"

0

What We Rated as "Very Bad"

0



**Responsible Supply Chain**

## RESPONSIBLE SUPPLY CHAIN

Erte Cosmetics supplies all products and services with the aim of adding value to the company. While procuring raw materials and services, Erte Cosmetics prioritizes suppliers that are compatible with human health and the environment, are fair to their employees, and strive to protect natural resources.

The suppliers from which Erte Cosmetics meets all kinds of its material needs, the customers to whom Erte Cosmetics provides finished product services, and in-house employees are the stakeholders of Erte Cosmetics. Stakeholders are organizations or individuals who are supported in at least one stage of the processes carried out with the company. Communication is established with these stakeholders via e-mail, telephone, and mutual meetings. Each stakeholder can be communicated with on a daily, weekly, and monthly basis.

1) Ensuring the supply of materials of the desired quality at the desired time, at the most reasonable price.

2) Providing perfect service in all processes, from the first stage to the shipment of the requested product to the customer.

3) Ensuring the production of the product in line with the requested specifications and quality, on time, without any problems and making it ready for shipment.

While procuring products, environmental criteria are checked by visiting suppliers. Production capacity and production conditions of suppliers are controlled. The availability of suppliers' quality documents is verified. Suppliers without quality certificates are asked to provide their certificates.

**Percentage of new suppliers selected using environmental criteria: 10% of suppliers were identified in this way.**

**Ratio of Expenditures on Local Suppliers: Local suppliers are supported if there is a domestic equivalent and price performance criteria are met.**

Ratio of Expenditures on Local Suppliers: Local suppliers are supported if there is a domestic equivalent and price performance criteria are met.

## Stakeholder Opinion

**M.İmer ÖZER**

**PLAT - Private Label Association of Turkey  
Chairman of the Board of Directors**

ERTE Cosmetics, with its high-tech production, customer-oriented business approach, and vision, especially with its success in the field of exports, is a member we are proud of. ERTE Cosmetics, whose sensitivities such as gender equality, diligent work, and social aid are well known to us as one of the exemplary corporations in our sector in terms of respect for the environment through methods such as clean energy and responsible production.

Our wish for our country is that companies like ERTE Cosmetics increase in number and that Turkish manufacturers are shown as exemplary business partners all over the world.





# **Environmental Management**

# ENVIRONMENT POLICY

As ERTE Cosmetics, we strive to reduce the risks to an acceptable level in all our activities, by considering the risks in terms of environmental protection, and to fulfill the requirements of internal and external contexts in this context.

We encourage the conservation of natural resources to ensure that top management leads the environmental management system, and that all these processes are secured.

As a company, Erte Cosmetics complies with all environmental laws and regulations. The company employs environmental engineers from renewable energy in 2023. In addition to these practices, other environmental goals include treating wastewater and using it for garden irrigation, collecting rainwater from the roof gutters of the building and using it for cleaning and garden irrigation. by continuously improving our environmental performance and quality, contributing to raising the environmental awareness of our employees, suppliers, customers, and society.

Activities Erte Cosmetics undertakes:

- to reduce energy consumption and ensure energy efficiency, comply with rele-

vant legal regulations, fulfill compliance obligations and continuously improve our environmental management system to increase environmental performance in order to protect natural resources and reduce environmental pollution,

- to reduce waste and its negative environmental impact,
- to reduce pollution processes at production sources,
- to fulfill the stated commitments by being aware of our environmental responsibility, and receives services from a consultancy firm approved by the ministry. To date, no penal sanctions have been imposed on Erte Cosmetics regarding environmental issues. Environmental audits will continue after the renewal of the ISO 14001 Environmental Management System certificate.

One of Erte Cosmetics' short-term goals is to continue to expand the scope of the training provided to all employees on environmental legislation. Erte Cosmetics' mid-term goal is to reduce solid waste and water waste to the maximum extent and to spread recycling practices throughout the company. Its long-term

goal is to implement renewable energy technologies within the company and become capable of producing the energy it consumes. In this respect, rooftop projects were designed for the installation of a solar panel system. One of Erte Cosmetics' priority targets is to cover 85% of its electricity consumption Within Erte Cosmetics, the waste management system is actively and successfully implemented in all departments. Agreements have been made with authorized institutions for all waste types, and the waste generated within the facility is delivered to these companies for waste disposal or recycling at specified intervals.

While determining the environmental budget, the monthly cost of the consultancy firm, the cost of disposal of wastewater from the production, the cost of disposal of solid waste from production, and training and landscaping costs are taken into consideration.

In 2021, one hour/year of training was provided to all personnel and 10 minutes/month of training was provided to temporary waste storage managers (2 people).

## Stakeholder Opinion

### Adrian IOANU CEO of MYSU

We are thrilled with our collaboration with ERTE. They are very professional, prompt, and their products are of excellent quality. They have surpassed all our expectations regarding any needs we've had with design, sampling, and advice on business and products. We look forward to a long lasting partnership with this great group of people!



# ENERGY MANAGEMENT AND EMISSIONS

Erte Cosmetics works to minimize energy waste by identifying areas where energy is used unnecessarily.

Air conditioning is planned in areas such as dining halls that are open at certain times. They will be kept centrally closed when unnecessary. In order to prevent energy consumption, common use areas, WCs, fire escapes, etc. are used with photocells. In order to prevent unnecessary and forgotten residual energy, an automatic shutdown command is given during the day and after working hours. The fan coil system used for the heating system in winter is kept closed in summer. Photocell faucets are used to reduce water waste. Thermal insulation will be applied to the boiler room collector lines to minimize heat loss. In the summer months, one boiler is operated to prevent excess hot water production. Leaks in the factory site, especially in the compressor lines, are repaired, and annual energy loss is prevented.

## ENERGY CONSUMPTION

Energy consumption of Erte Cosmetics is as follows:

MONTH	Energy Consumption Block A Personal Care Products	Energy Consumption Block B Warehouse	Total	Energy Consumption Block C Perfume	Consumption Natural Gas Block A Personal Care Products	
2021	KWh	KWh	KWh	KWh	MONTH	KWh
January	76383	25461	101844	-	January 2021	24673
February	67474,5	22491,5	89966	-	February 2021	95054
March	81831,75	27277,25	109109	-	March 2021	94812
April	67738,5	22579,5	90318	-	April 2021	94331
May	48841,5	16280,5	65122	-	May 2021	51241
June	60600	20200	80800	24000	June 2021	21665
July	78146,25	26048,75	104195	42778	July 2021	15572
August	102567	34189	136756	60501	August 2021	14426
September	80018,25	26672,75	106691	80734	September 2021	12373
October	78587,25	26195,75	104783	60000	October 2021	16446
November	84231,75	28077,25	112309	64390	November 2021	19021
December	101317,5	33772,5	135090	68290	December 2021	52330
January 2022	91246,5	30415,5	121662	70447	January 2022	78411

With the investment to be made at the end of 3 years, Erte Cosmetics plans to realize the project of zeroing the electricity cost by generating all the electricity needed by the production facilities from solar panels.

# BLOCK A PERSONAL CARE PRODUCTS EMISSION SOURCES AND MEASUREMENT VALUES



EMISSION SOURCE NO	PARAMETER (kg/hour)	
	DUST	VOC
1	0,0952	0,016
2	0,0538	0,019
3	0,0369	***
4	0,0034	***
5	0,0064	***
<b>Total Value</b>	<b>0,1957</b>	<b>0,035</b>
<b>LIMIT VALUES</b>		
<b>SKHKKY Annex-3.d*</b>	10	10
<b>SKHKK Annex-2 Chimney*</b>	10	30

Emission Sources and Parameters Measured at These Sources					
CODE	EMISSION SOURCE	SECTION TO WHICH IT BELONGS	PARAMETER		MEASURING DATE
			DUST	VOC	
1	Ks1 1st Floor Ventilation Chimney-1	Production	✓	✓	31.03.2021
2	Ks2 1st Floor Ventilation Chimney-2	Production	✓	✓	31.03.2021
3	Ks6 Basement Floor Factory Area Chimney	Production	✓	✓	31.03.2021
4	Laboratory Section Fume Hood Chimney	Production	✓	✓	31.03.2021
5	Washing Area Ventilation Chimney	Production	✓	✓	31.03.2021

\*Emission limit value from each chimney.  
 \*\*Total emission limit value from all chimneys.  
 \*\*\*VOC not detected.

# BLOCK C PERFUME EMISSION SOURCES AND MEASUREMENT VALUES

Mass Flows and SDGPLG Limit Values of Emissions Realized at the Facility

Emission Source Code	PARAMETER	
	DUST	VOC
1	0,0937	0,0265
2	0,0942	0,0266
3	0,0524	0,0079
4	0,0852	0,0431
5	0,0103	0,0016
6	0,0059	0,0006
7	0,0037	0,0016
<b>Total Value</b>	<b>0,3454</b>	<b>0,1079</b>
<b>LIMIT VALUES</b>		
SKHKKY Annex-3.d	-	10
SKHKKY Annex-2 (Chimney)*	10	30
SKHKKY Annex-2 (Out of Chimney)	1	3

\*Hourly mass flow rates emitted from the entire facility (sum of chimneys).

Emission Sources and Parameters Measured at These Sources

CODE	EMISSION SOURCE	PARAMETER		
		DUST	VOC	MEASURING DATE
1	Ks-1 Production Area Ambient Ventilation Chimney 1	✓	✓	11.08.2021
2	Ks-2 Production Area Ambient Ventilation Chimney 2	✓	✓	10.08.2021
3	Ks-3 Perfume Section Ambient Ventilation Chimney	✓	✓	10.08.2021
4	Ks-4 Bulk Area Ambient Ventilation Chimney	✓	✓	10.08.2021
5	Fume Hood Chimney	✓	✓	10.08.2021
6	Laboratory Acrobat Arm Ventilation Chimney	✓	✓	11.08.2021
7	Odor Chamber and Stability Cabin	✓	✓	11.08.2021



## WATER MANAGEMENT

Mains water supplied by Istanbul Water and Sewage Administration (ISKI) is used for domestic use (sink, cleaning, and dishwashing) and prosthesis. It is used as deionized water in the process. Wastewater from the process is given to a licensed disposal company. Domestic water is discharged into sewers. Car-boy and plastic bottle water is used for drinking and cooking in the dining hall.

Since Erte Cosmetics produces less than 3 m<sup>3</sup>/day of wastewater, according to ISKI discharge regulations, it does not have a wastewater treatment plant obligation and sends its wastewater to a licensed disposal company. Erte Cosmetics' environmental management targets include building a wastewater treatment plant and using treated water for garden irrigation.

As one of the most important elements of sustainability for Erte Cosmetics' water operations, Water Management is conducted within in a holistic framework, including resource diversity, efficient production, and efficient consumption. In this context, while there is an advanced deionized water system, it is aimed to make water resources and water use in the production process sustainable.

Waste Type (ton)	2021*
Hazardous Waste	247.508
Hazardous Waste (Recyclable Waste)	76.950

\*: Üretim tesislerinin yeni kurulması nedeniyle 2021'de itibaren su tüketimi ölçümlenmeye başlamıştır.

## WASTE MANAGEMENT

Process wastes generated within Erte Cosmetics are separated at the source, accumulated in the temporary storage area, given to licensed companies and registered in the waste management system of the Turkish Ministry of Environment, Urbanization, and Climate Change. An industrial waste management plan is prepared and approved by the ministry. Awareness and informative training on waste management are periodically provided to personnel. The company has an ISO 14001 Environmental Management System, and waste management is actively and successfully implemented in all departments. With this environmental management system, the waste management system will be actively and successfully used in all departments.

Erte Cosmetics' waste management approach is based on the principle that all waste generated within the company is separated according to groups, 80% of which is recycled and used as input in other sectors. Accordingly, the completion of the Energy Efficiency ISO 50001 Energy Management System certification process in 2023 is also included in the investment plan.

Compulsory financial liability insurance for hazardous substances and hazardous waste is renewed every year. Reduction in the amount of waste is ensured by sorting-at-source. To date, there has been no leakage during Erte Cosmetics production processes. Agreements have been made with authorized institutions for all types of waste, and the waste generated within the facility is delivered to these institutions for disposal or recycling.

While glass is used as packaging in perfume production, polyethylene tubes and plastic packaging are more common in personal care products. Moreover, as one of the negative effects of the Covid-19 pandemic, the use of plastic bottles and closed glasses of water for drinking water has led to an increase in the use of plastics.

### PLASTIC-FREE ECO-FRIENDLY PACKAGING



Erte Cosmetics provides environmentally friendly and plastic-free packaging for certain product groups. As the negative effects of plastic pollution are rapidly increasing, the company is taking responsible steps with conscious packaging options.

Block A  
Personal Care Products

8.784 m<sup>3</sup>

Block C  
Perfume

6.628 m<sup>3</sup>

WASTE NAME	WASTE AMOUNT	WASTE TREATMENT PLANT
Other organic solvents, washing liquids, mother liquor	243160 kg	32069-RDF Kontamine Atık Bertaraf ve Geri Kazanım Sanayi Ticaret Anonim Şirketi
Other engine, transmission, and lubricating oils	52 kg	65008-PETDER- Turkish Oil Industry Association
Paper and cardboard packaging	13890 kg	160007-Mertcan Geri Dönüşüm Kağıt Metal İnşaat Sanayi Ticaret Limited Şirketi
Plastic packaging	1160 kg	160007-Mertcan Geri Dönüşüm Kağıt Metal İnşaat Sanayi Ticaret Limited Şirketi
Packages containing residues of or contaminated with hazardous substances	230 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi
Packages containing hazardous porous solid structures, including empty pressurized containers (e.g. asbestos)	15 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi
Absorbents contaminated with hazardous substances, filter materials (oil filters if not otherwise specified), cleaning cloths, protective clothing	500 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi
Laboratory chemicals consisting of or containing hazardous substances, including mixtures of laboratory chemicals	70 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi
Wastes whose collection and disposal are subject to special management in order to prevent infection	10 kg	29814-İSTAÇ Istanbul Environment Management Industry and Trade Company
Other organic solvents, washing liquids, mother liquor	302 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi

WASTE NAME	WASTE AMOUNT	WASTE TREATMENT PLANT
Other engine, transmission, and lubricating oils	52 kg	65008-PETDER- Turkish Oil Industry Association
Paper and cardboard packaging	40000 kg	160007-Mertcan Geri Dönüşüm Kağıt Metal İnşaat Sanayi Ticaret Limited Şirketi
Plastic packaging	2500 kg	160007-Mertcan Geri Dönüşüm Kağıt Metal İnşaat Sanayi Ticaret Limited Şirketi
Packages containing residues of or contaminated with hazardous substances	1647 kg	23204-Dedeoğlu Hurda Nakliye ve Kimyasalları LTD
Absorbents contaminated with hazardous substances, filter materials (oil filters if not otherwise specified), cleaning cloths, protective clothing	850 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi
Antifreeze fluids containing hazardous substances	210 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi
Laboratory chemicals consisting of or containing hazardous substances, including mixtures of laboratory chemicals	300 kg	200556-4R Çevre ve Enerji Sanayi ve Ticaret Anonim Şirketi
Wastes whose collection and disposal are subject to special management in order to prevent infection	110 kg	29814-İSTAÇ Istanbul Environment Management Industry and Trade Company
Glass	19400 kg	170903- Güçlü Ticaret Cam Geri Dönüşüm

# CIRCULAR ECONOMY

In the building that manufactures alcoholized products, the boiler, filling machine, and equipment are cleaned with alcohol without using water. The alcohol from the cleaned equipment is distilled and purified in the distillation machine and taken to the tanks to be used for cleaning purposes again. This way, an average of 2000 batches per year are produced with zero waste. In the process of recycling Erte Cosmetics' waste back into production, the alcohol used during production is distilled and used to clean the bottles of cosmetic products.

In personal care products, industrial wastewater generated in all areas (laboratories, filling areas, and the manufacturing department) is collected at a single point and regularly sent to a licensed disposal facility.

For sustainable wastewater management, a plan has been made to establish a wastewater treatment plant for Erte Cosmetics production facilities in 2023. Emphasis will be placed on waterless cosmetics, which will be launched in the second half of 2022 with the aim of reducing water use in production processes.

The primary priority in the selection of raw materials used in all R&D studies is raw materials with high biodegradability and plant-based raw materials. In addition, with waterless cosmetic products, it is aimed to reduce the amount of plastic packaging used and increase the number of recyclable materials by using more paper packaging. No product manufactured by Erte Cosmetics is tested on animals. Glass packaging materials and paper/cardboard packaging materials used throughout the company are regularly recycled.





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**CONTRACT MANUFACTURING & PRIVATE LABEL**

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