

A photograph of two young women in a lush garden. They are both smiling and looking at a potted plant in the center. The woman on the left is wearing a light blue short-sleeved blazer and shorts, with a blue hair tie. The woman on the right is wearing a white floral bikini top and blue shorts, with a colorful headband. A large wicker basket is visible in the background on the left. The scene is bright and sunny, with green foliage and a red fruit hanging from a tree on the right.

Penti

2021

SUSTAINABILITY

REPORT

For a More Equal World... We are working



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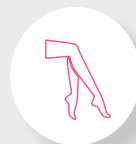
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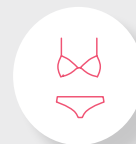
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WEBSITE



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E-MAIL



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ABOUT THE REPORT

Penti aspires to create a more sustainable future. We work with the aim of completely fulfilling all of our responsibilities on both local and global levels. With the 2021 sustainability report, we present to you, our stakeholders, the work we have carried out thus far and the goals we hope to achieve.

This is the first report of Penti Giyim Retail and the fourth report of Penti Çorap Factory. It is the first sustainability report issued by Penti as a group company.

This report has been prepared in accordance with "GRI Standards: Foundation". The priority sustainability issues that comprise the main framework of our report were determined through studies involving extensive research and stakeholder analysis. The report has not been subjected to any third party verification.

All information included in Penti 2021 Sustainability Report covers the activities of Penti Giyim Retail and Penti Çorap Factory between 01.01.2021 and 31.12.2021, unless otherwise stated.

In the coming years, Penti intends to report its sustainability activities annually in accordance with the expectations of its stakeholders.

Each and every comment and suggestion from our stakeholders is extremely valuable to us. You can send your comments, suggestions and questions about our report and our sustainability efforts to us via the e-mail address [✉ sustainability@penti.com.tr](mailto:sustainability@penti.com.tr)

SENIOR MANAGEMENT MESSAGES

Dear Stakeholders,

We all need a more livable future. The future is possible with today's solid actions and genuine change. Producing and implementing sustainable road maps for the planet of which we are a part is the most important aspect of this transformation. **As a brand that has fulfilled the needs of women for the past seventy-two years, we are prepared to take these actions for the people, the nature, and the planet.**

As a company with strong values and a well-established corporate culture, we are confident that these initiatives will lead to a brighter future and make a positive impact on the world and the society. Our responsibility for sustainability drives us to keep exploring and developing new approaches. Every action we take together has the potential to improve the world in the future, and so we constantly seek for and implement novel approaches.

Our employees, with whom we work and produce, are the most valuable stakeholders in this solution for us. Penti has a sense of responsibility toward every individual it interacts with in its value chain. We believe that everyone whose path intersects with our brand deserves a more equal world. This belief is the most important guiding principle for our social development projects. We provide our employees with a workplace that respects human rights, diversity, and awareness.

Since it was established, Penti has been a brand that creates real-time solutions to women's needs. As Turkey's most popular women's underwear brand, we have always supported women's efforts to protect and strengthen their social standing. In this regard, we develop social responsibility projects and continue to implement practices that make women's lives easier.

Today, Penti is a brand that demonstrates top-tier performance in Turkey and abroad, and that works hard to convey the sense of leadership that comes with that performance wherever it operates. To this end, we commit ourselves to prioritizing the people, the environment, and the global community in all that we do, to working passionately, to critically assessing new information, and to paying close attention. We believe that the only way to make a positive impact on society is to prioritize the well-being of its members, so we work hard to ensure that the actions we take benefit both people and the environment.

In our growth and development, we are solely motivated by the desire to contribute to sustainable development by creating future-proof solutions. Our search for solutions to reduce energy consumption, chemical usage, and raw material consumption enables us to track and incorporate innovations in this field into our production. This empowers the business strategy we've developed to create a more habitable planet. We see it as our commitment to extend this business strategy to all of our stakeholders.



Adopting sustainable models in response to changing consumer demands, with the transformative power of Penti behind us, is one of our most important goals not only for today, but also for the future. This world is just as dependent on us as we are on it. I am confident that we will always perform better if we maintain this awareness.

I would like to thank our colleagues, business partners, suppliers, and other stakeholders who have contributed to our processes, and I hope that we can meet again next year in a more sustainable world. I expect that the coming year will be the one in which we achieve our goals, heal the world, and heal together.

Sincerely,

Sami KARIYO
Chairperson of Penti Executive Board

SENIOR MANAGEMENT MESSAGES

Dear Stakeholders,

Being sustainable entails safeguarding the planet on which we live and to which we belong without jeopardizing nature's and future generations' capacity to meet human needs. We believe it is possible to leave nature and future generations with a better world, and we adhere to the philosophy of **RESPONSIBLE PRODUCTION RESPONSIBLE CONSUMPTION.**

In order for our actions to bring about profound changes in the people, the nature and the world, we are working tirelessly every day with knowledge, passion, respect, and care for a more equal world. We are pleased to share our sustainability report with you, which presents our efforts and commitments in this area.

We have gone through difficult times with the COVID-19 pandemic, during which our world has faced with numerous problems. Without a doubt, this process has mediated the concept of sustainability, whose significance has been increasingly recognized in recent years, to become one of the factors that define our world today. In this process, where the concept of sustainability is more important than ever, Penti has accelerated its activities in the field of sustainability, in which it has already invested for many years. Every change we made was considered as a threshold that would benefit our planet and our society.

As Turkey's most popular underwear brand, we are **passionately** committed to our planet. We fulfill our responsibility to protect our world by implementing **"Corporate Citizenship"** principles. We regard our employees as the most important component of our organization. We ensure that everyone who comes into contact with Penti is not subjected to discrimination for any reason, that they work under equal conditions, and that their rights are protected; and we develop our policies accordingly. We base our policy on equal pay for equal work.

We contribute to gender and rights equality as the most preferred brand by women by producing projects that support women's employment. As a signatory to the Women's Empowerment Principles (WEPs) of the United Nations, we are committed to increase the number of women in leadership roles throughout our company. With 91% of its workforce being female and 90% of its management being female, Penti today aspires to make a positive impact on the world. To that end, we consider it as fundamental to Penti culture to create works that have direct empowering impact on women, that improve their quality of life, and that help to advance their status in society.

Given our concern for Earth, we're actively seeking eco-friendly approaches to problems. Our goal is to create responsibly designed, sustainable collections. Within the framework of a 10-year plan, we evaluate our sustainability goals under three different headings: Products, manufacturing plants, and stores. We aim to increase the use of sustainable cotton and recycled polyester to 45% by 2025, 60% by 2027, and 95% by 2030 by incorporating new technologies that reduce the use of water, energy, and chemical products in our manufacturing processes.

We aim to ensure that the packaging and hangers we use are made from more sustainable materials, and to eliminate the use of plastic entirely by using 100% recycled and reusable materials.



We prioritize environmental protection in our manufacturing processes and employ the most effective tools and programs within the scope of the zero waste project. We create new solutions in order to take the necessary actions to reduce energy production, waste generation, and water use. We have been working with the same passion for 72 years, from today to the future, to ensure that 95% of our products are made from sustainable materials when it comes to 2030.

We have only been a part of our 4.5 billion-year-old planet for 200 thousand years. We pledge to reduce our carbon footprint in order to ensure the survival of this unique planet, on which we rely for air, water, resources, and all of its vitality from the moment we are born. Because we believe that radical change is required to protect nature and promote sustainability.

We consider our 72-year effort to bring these necessary changes to the people, the nature, and the world as a debt we owe to our employees, business partners, customers, and society; and I would like to express my gratitude to everyone who has contributed to our growth on our sustainability journey. I am happy to share our Penti 2021 Sustainability Report with you.

Sincerely,

Mert KARABRAHİMOĞLU
Penti Giyim - CEO

SENIOR MANAGEMENT MESSAGES

Dear Stakeholders,

Our journey, which began in 1950, continues to expand with brand-new projects and developments each day. As Penti Çorap, we are the largest integrated women's socks manufacturer in Europe, exporting to more than 60 countries without compromising our quality, innovative products and budget-friendly price policy. Our focus is to provide sustainable, innovative, quality and popular products. Although sustainability is a complex and sometimes challenging process from an operational point of view, as Penti Çorap, we are proud of our actions that provide economic, social and environmental gains. In this context, our primary objective is to create productions that care about the people, the environment and the world.

Within the scope of the Sustainable Development Goals, which were published by the United Nations Development Program in 2015 and outline the solution to the world's common problems, we transferred 9% of our revenue to sustainability investments in order to create "common benefit" and support these goals.

Since our foundation, as Penti Çorap, we have endeavored to create products that make the lives of our women and girls all over the world easier and improve their quality of life. We focus on the fact that our products are of high quality, inclusive of all segments of society, and accessible to all within the confines of the economic and sales space.

The annual capacity for production of 91 million pairs of socks indicates that our economic, environmental, and social responsibilities have also increased.

We are proud to announce that our carbon emissions have decreased by 5% compared to the previous year. The audit score on the Higg Index platform developed by the Sustainable Apparel Coalition of our factory is above the global, European and Turkish averages. We continue our efforts to increase technological transformation, particularly in the renewable energy technologies, as well as to boost energy efficiency and integrate these strategies into all of our operations.

We carry out our R&D studies with the approach of "Responsible Production" principles.

In every market we operate, we base our investments on a commitment to fostering a healthy and prosperous local community. At a 57% rate, we work with local suppliers. In addition to bolstering our vendors' financial standing, we also train them in accordance with Penti vision for ethical codes. Human rights, children's rights, equitable wages, and safe working conditions are just some of the areas in which we are continuing to develop an ecosystem that benefits both the people and the planet.



As Penti Çorap, that was elected as the "Best Employer" for the second time consecutively in the Great Place to Work, where the Best Employers are elected worldwide, we work to support the welfare and sustainable development of our country with our 1025 employees.

We believe that sustainable development can be achieved by ensuring and maintaining economic stability, particularly by protecting the environment and preserving biodiversity, by promoting innovative and long-lasting infrastructures, and by bolstering societies through egalitarian and inclusive approaches.

As a significant stakeholder contributing to the economic, environmental, and social development of our nation, we continue to work and produce with our entire value chain and the ecosystems we have created, with the awareness of our responsibilities. On this path, we are pleased to share with you, our esteemed stakeholders, our fourth sustainability report as Penti Çorap.

Sincerely,

Mehmet KARACALI
Penti Çorap - CEO

OUR STORY

Our story began in 1950. By 2021, we have become the largest integrated women's hosiery manufacturer in Europe. We continue on our journey as one of the most recognized apparel brands in the world.



About Us

Our company, which is currently celebrating its 72nd year, has become a multidimensional, pioneering, and leading organization on the global stage, with innovation and technology management in the categories of underwear, socks, homewear and beachwear.

Since the day one, we've aimed to be a brand that makes environmentally and socially responsible production and provides customers with products and experiences that make them feel good.

Thanks to our creative marketing strategies and innovative perspective, we have been offering designs that meet the needs and desires of our customers in every country we operate since our foundation.

Penti was founded during a period of limited industrialization, when two enterprising brothers joined their forces under one roof. Today, it covers two market-leading brands, Penti Giyim Retail and Penti Çorap Factory.

Our brand, which was established in 1950, had the name of Öğretmen Çorap in 1970. In the 1980s, the company prioritized the needs of urban women and increased its market share by emphasizing design, variety and quality. In 1984, it changed its name to Penti and became one of the leading companies in the industry of Turkey by manufacturing underwear, hosiery, children and men's socks, homewear and beachwear.

We host
70 million
visitors a year in our stores

In 1999, we opened our first store in Istanbul as Penti Giyim Retail. In Turkey, Penti stores continued to open gradually throughout the early 2000s. We entered the e-commerce market in 2007 when we launched our online store at penti.com. In 2011, we opened our first international store in Romania.

In 2012, we took an important step toward becoming a global brand by partnering with the global conglomerate Carlyle Group.

Penti Giyim Retail now has 406 stores in Turkey, 47 in Romania, 6 in Kazakhstan, 4 in Serbia, 3 in the Turkish Republic of Northern Cyprus, and 148 franchise stores in 36 countries. In total, Penti has 616 retail stores all over the world.

Penti employs over 4 thousand people and has an impact on the lives of nearly half a million people, including employees, suppliers, and their families. As Penti Giyim Retail, we host 70 million visitors a year in our stores located on a total of 59 thousand square meters worldwide and we are proud to announce that we have 85 percent customer satisfaction.



In 1994, we established a new factory in Çorlu with cutting-edge technology.

While England is the main market of Penti Çorap Factory for Private Label Exports, France, Denmark, Sweden, Ireland, the Netherlands and the United States of America are among the countries in which we operate. We are pleased to announce to our stakeholders that we, as Penti Çorap Factory, received a score of 4.79 out of 5 in the customer satisfaction survey of 2021, attended by the customers we serve with Private Label Exports.

Today, as Penti Çorap Factory, we export to 61 countries in total by producing franchises to 31 countries, branded products to 45 countries and Private Label Exports to 16 countries.

In 2014, we were awarded the Turquality certificate, and in 2016, we ranked second in the "InovaLIG Innovation Life Cycle Category" with Penti Çorap Factory. We were named the Company of the

According to the results of Penti Çorap Factory OIZ Stars Survey;

- ▶ Top 100 Companies Making the Most Profit (Before Tax) in OIZs in 2020; 27th Place
- ▶ Top 100 Companies with the Most Employment in OIZs in 2020; 58th Place
- ▶ Top 100 Companies with the Most Women Employment in OIZs in 2020; 12th Place
- ▶ Top 50 Most Trademarks; 11th Place
- ▶ Top 50 Spending on Digitalization; 13th Place



Year for Contributing the Most to Employment and the Company of the Year for Contributing the Most to Women's Employment in 2019.

As Penti Giyim Retail, we launched our mobile application at the end of 2019. Penti Giyim Retail, which provides services through seven online channels, has more than 85 million e-commerce visitors per year.

We were named one of the Best Employers in Turkey in 2020 as a result of an employee happiness survey conducted among Penti employees by GPtW, which elected the best employers in Turkey in 2020, and a workplace culture analysis conducted by Culture Audit©. In 2021, we were elected as Turkey's Best Employer for the second time consecutively. In September 2021, we made our name among the Best Workplaces in Europe.

Our digital transformation journey as Penti Giyim Retail began in 2018; and by 2020, during the pandemic, we had achieved a very advantageous position in our sector, as consumers in Turkey, like the rest of the world, began to shift their shopping preferences to online channels. Even under the difficult conditions in May 2021, when stores were only open during 30% of working hours due to the pandemic and the measures implemented, the vast majority of our sales were made through online channels at unprecedented levels.

In contrast, June 2021 was marked as a date when we noticed a significant increase in store traffic and record sales as a result of being in line with customers both visually and as a product, with the beginning of normalization and the opening of new stores.

Star Card is growing by

23%
every year.

Penti by Numbers

We manage our business “Based on Knowledge” for a more equal world.

Highlights of Penti Giyim Retail in 2021



★ Market leader position in underwear, beachwear, socks and homewear categories in Turkey

Product variety in 7 categories, exceeding **6,500** options

2,4 billion TL turnover

74% store revenue LFL growth



11 times growth in 6 years

More than **7** million bras sold in Underwear Category in 2021

54,904 product tests 

★ **More than 600** stores worldwide

51,000 m² sales area in total in Turkey

21.5% store conversion rate

70 million store visitors per year

In-store **90%** customer satisfaction

Star Card growing by **23%** every year

7 online sales channels More than **85** million e-commerce visitors

Establishment of new 5 departments
Internal Audit Department, Social Compliance and Technical Audit Department, Investor Relations Department, Risk Management & Internal Control Department and Sustainability Department

We manage our business “With Respect for Humanity” for a more equal world

2021 Penti Giyim Retail



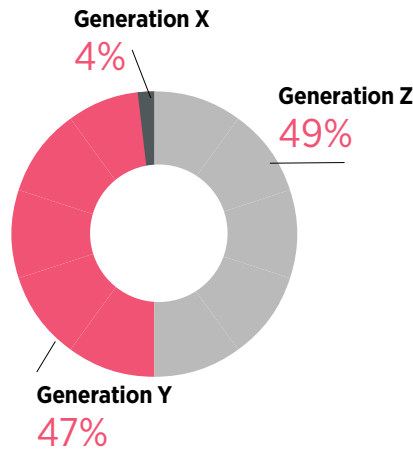
2,790
employees

GPtW 2021 satisfaction rate:

62%

55% internal promotion rate

Generations of employees



Social media visibility:

2.5 million followers on digital channels

1.6 million Instagram followers

1.9 billion annual reach

Contact with **12** million people on social media

91.7% of supply chain is local

Proportion of payments made to local suppliers: **94%**

Highlights at Penti Çorap Factory in 2021



More than **70** years of manufacturing experience in hosiery production

Production capacity of **91** million pairs of socks per year

1,025 employees 

Export to more than **60** countries

Export sales volume **28.6** million pairs

7,609 total customers 

872 Kaizen Project

The rate of sustainability investments allocated from the turnover for UN Sustainable Development Goals

9%

Europe's **largest** integrated thin women's hosiery manufacturer

We manage our business "With Respect for Humanity" for a more equal world

410 new employment in 2021

employees under the collective labor agreement

852

GPtW 2021 satisfaction rate:

66%



57% of supply chain is local



We manage our business “With Passion for the Planet” for a more equal world.

As Penti, we continue our efforts to reduce our global carbon footprint within the scope of our sustainability vision.

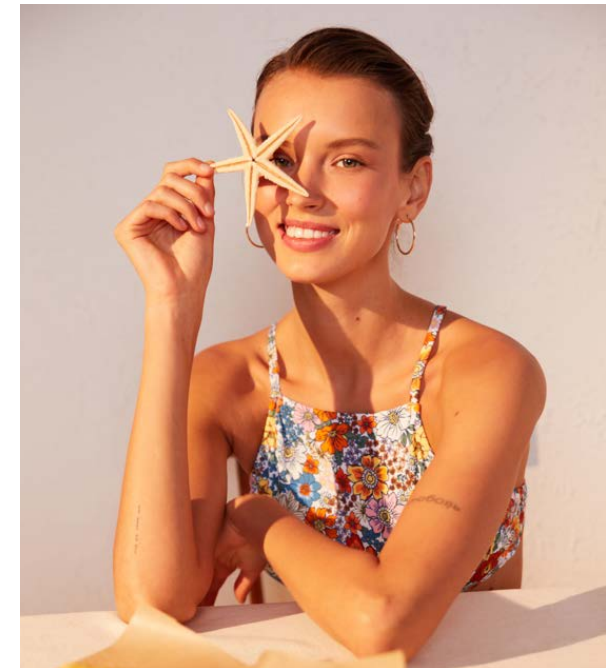
Highlights at Penti Giyim Retail in 2021



- ▶ As a result of our kids pyjamas collection with all-natural dyes, we were able to save water usage by 88% and reduce our energy consumption by 55% (plant-based Ficus Innovation).
- ▶ With the use of Ecovero & Tencel fibers, we have achieved 50% less carbon dioxide emissions and 50% water saving.
- ▶ We achieved 600% water saving by using digital printing technique in our beachwear products.
- ▶ We have reduced the amount of sanitary pad waste with the period slip product suitable for use during menstrual periods.
- ▶ By reducing the transportation route and time, we saved energy and reduced our carbon footprint.

- ▶ With our digital measurement application, we reduced returns due to improper fit by ensuring that online shoppers purchase the most appropriate size. As a result of implementing RPA (robotic process automation) technology to automate processes, particularly in the HR and Accounting departments, we reduced electricity consumption and our carbon footprint, and increased labor productivity.

- ▶ With the My Size One Size collection, which features adaptive product technology that adapts to all sizes, we were able to reduce the rate of product returns due to fit and size. As a result, we saved energy and reduced our carbon footprint.



In the production of I'M IN collection made from recycled materials



45%
energy saving

30%
fewer greenhouse gas emission

20%
water saving

We brought **1 million** PET bottles and **5 ton** of industrial nylon waste into the circular economy by recycling them.

Highlights at Penti Çorap Factory in 2021



► Our facility's solar panels, which were installed in 2013, contribute to the treatment plant's energy consumption. Using the most recent version of the ISO 14064-1:2018 standard, we calculated our annual direct and indirect greenhouse gas emissions.

Category 1:

Direct greenhouse gas emissions

4,569.34 -ton CO₂e

Category 2:

Energy indirect greenhouse gas emissions

9,366.85 -ton CO₂e

Category 3:

Shipping indirect greenhouse gas emissions

1,362.54 -ton CO₂e

Category 4:

Raw material indirect greenhouse gas emissions

20,171.28 -ton CO₂e

Category 5:

Indirect greenhouse gas emissions at the end-of-use and end-of-life of products

1,043.71 -ton CO₂e

Category 6:

Other indirect greenhouse gas emissions

2,929.33 -ton CO₂e

Total Emission

39,443.06 -ton CO₂e

► As a result of our calculations, the previous year's Scope 1 and 2 emissions, compared to our direct and indirect emissions from our energy production by the dozen equivalent per dozen imported, resulted in a 5% reduction in our carbon emissions, which we are pleased to share. Considering the positive effects of renewable energy investments in the field of sustainability, a 4 MW SPP investment was planned on our factory roof to support this positive decrease. When the project is implemented, it is anticipated that our carbon footprint will decrease by 2,400 tons of CO₂e.

► In 2021, the factory had nearly 50 audits and verifications, including customer audits, Higg Index third-party verifications, and ISO certification audits. We see all these audits as a tool that contributes to our development, and we continue to increase our scores every year compared to the previous year.

Higg Fem score

	2020	2021
Factory 1	62.6%	79.3%
Factory 2	52%	78.7%
Turkey	50.3%	65.4%
Europe	47.5%	43.7%
Global	51%	59.1%

Higg FSLM (SLCP) score

Factory-1	79.2%
Factory-2	78.1%

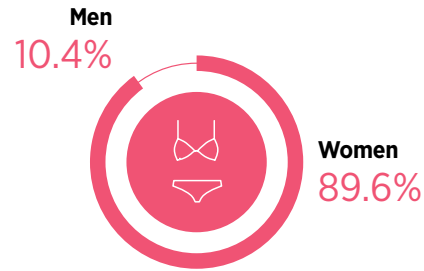
► Our score is higher than the global, European, and Turkish averages, as confirmed by Bureau Veritas, an internationally recognized audit firm.



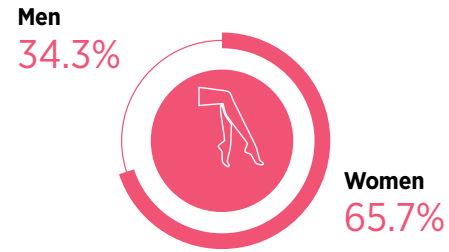
Penti Workforce

In Penti, we get strength from our various tones and keep up with every rhythm.

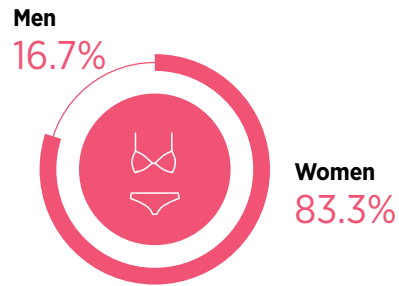
Penti Giyim Retail
Number of Employees by Gender 2021



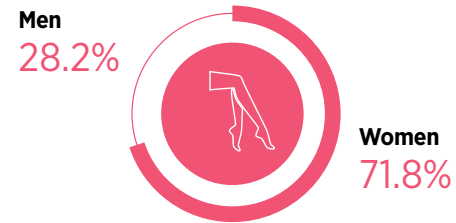
Penti Çorap Factory
Number of Employees by Gender 2021



Penti Giyim Retail
R&D, Innovation, Digitalization 2021



Penti Çorap Factory
R&D, Innovation, Digitalization 2021



Penti History

Our Milestones

1950-2009

► We began our journey in 1950 with the merger of two separate companies founded in the field of hosiery production by Kariyo brothers Mois and Yasef under one roof.

► We changed our name to "Penti" in 1984.

► In 1994, we established a new factory with the latest technology in Çorlu.

► We stepped into retail business in 1999 and opened our first store in Istanbul.

► In 2007, we opened our online store in order to maintain our presence in the digitalized world thanks to our structure that follows innovations (penti.com)

► In 2009, we ranked 106th among Turkey's second 500 largest companies.

► In 1970, we changed our name to Öğretmen Çorap. We continued to grow stronger with our first production facility in Bayrampaşa, Istanbul.

► In 1991, we produced "Fit15" tights for the first time. By expanding our product line to include children's socks, men's socks, homewear, underwear, swimwear and beachwear, we maintained and expanded our production and retail activities.

► In 1995, we produced the first functional hosiery that make women look thinner than they are.

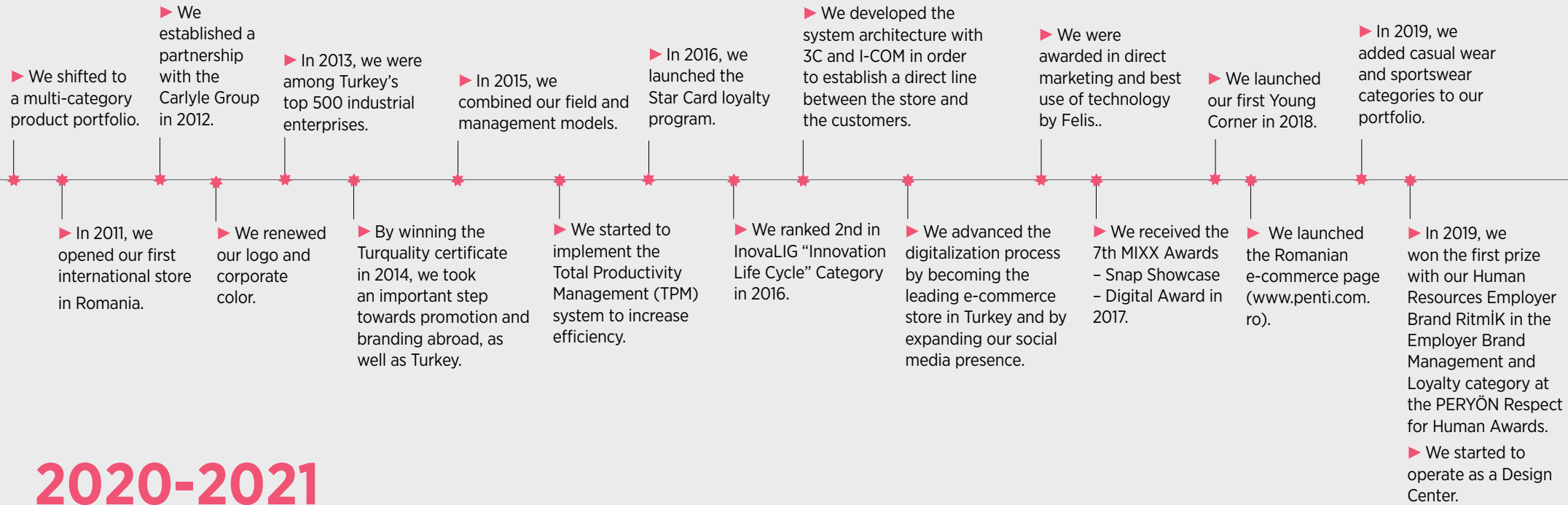
► We grew and developed rapidly in 2006; as a result we became one of the first 1,000 large industrial establishments of Turkey.

► In 2007, we added the Underwear and Beachwear categories to our portfolio.

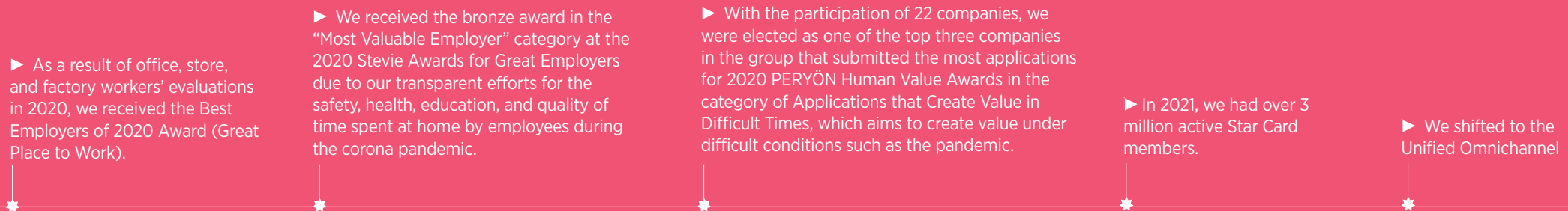
For further information about Penti's history, you can visit the link of <https://hr.penti.com/Tarihcemiz>



2010-2019



2020-2021





Penti Giyim Retail and Our Customers

Our Customers' View of Penti



92%
brand awareness
in Underwear



87%
brand awareness
in Beachwear



83%
brand awareness
in Homewear



96%
brand awareness
in Hosiery

We are the “Market Leader” in all categories.

*Source: Argus Growth Agency, Usage and Attitude Survey: Based on data obtained from face to face interviews conducted in March 2021 with 801 Turkish women between the ages of 16 and 64, who represent the female population in terms of age and socioeconomic status in 12 major cities in Turkey (Istanbul, Ankara, Izmir, Trabzon, Tekirdag, Samsun, Kayseri, Malatya, Erzurum, Antalya, Gaziantep, Bursa).

Our Collaborations and Initiatives

Our Memberships and Initiatives We Support

As Penti, we aspire to provide active support to the platforms that form the development of the sector in the field of sustainability in all sectors we operate, both nationally and internationally. In accordance with this mission, we join various associations, institutes, unions, and sectoral organizations and participate actively in their working groups and global collaborations. Due to our efficient management structure, we hold a leading position in our respective industries.

Initiatives we support include:

- ▶ As Penti, we believe that equal opportunity is not a privilege, but a right. In this regard, we have been a signatory of the Women’s Empowerment Principles (WEPs) since March 8, 2016, making us a part of one of the most significant global initiatives created in partnership with the United Nations Global Compact, United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women).
- ▶ We are a signatory of the (UNGC-United Nations Global Compact), which encourages the private sector to engage in sustainable and socially responsible activities.

- ▶ Globally, we are included in the Target Gender Equality program established by the United Nations Global Compact. In this manner, we share our experiences and practices with the business community, establish concrete goals and roadmaps, and assume responsibility for assisting other business community members in supporting this process. We established the Gender Equality team on a purely voluntary basis in order to carry out gender equality activities, and 51 volunteers from the factory, store, and head office joined this team.

- ▶ The climate crisis is one of the greatest threats the world faces today. According to published reports, current efforts to combat climate change are insufficient; to prevent this, we must achieve carbon neutrality on a global scale by 2050 and keep average global temperatures below 1.5 degrees Celsius. As Penti, we hope to make progress in the process of setting science-based goals for reducing greenhouse gas emissions by participating in the Climate Ambition Accelerator, which is led by the UNGC.

- ▶ In this way, we draw strength from our well-established background while using current international standards as a guideline for ourselves. In this context, we fully comply with the initiatives to which we have signed and, in accordance with the principle of transparency, present our performance results to all of our stakeholders.
- ▶ In order to improve the quality of sustainability management, we prioritize participation at the senior management level in global and sectoral studies. Following global goals, transferring sectoral sustainability solutions to corporate memory, and updating the memory are among our top priorities.

In support of

**WOMEN'S
EMPOWERMENT
PRINCIPLES**

Established by UN Women and the UN Global Compact Office



**United Nations
Global Compact**



**THE
SUSTAINABLE
FASHION
ACADEMY**



Institutions and Associations We Are Members Of

We follow the approach outlined in the 17th article of the United Nations Sustainable Development Goals **“Partnerships for Goals.”**: In accordance with the production processes in the business lines in which we operate, we are members of institutions and associations in the country and abroad.

These institutions and associations are as follows:

- ▶ İstanbul Hazır Giyim ve Konfeksiyon İhracatçıları Birliği (İHKİB)
- ▶ İstanbul Tekstil ve Hammaddeleri İhracatçıları Birliği
- ▶ Türkiye İhracatçılar Meclisi
- ▶ Türkiye Giyim Sanayicileri Derneği (TGSD)
- ▶ Birleşmiş Milletler Küresel İlkeler Sözleşmesi (UNGC)
- ▶ Birleşmiş Markalar Derneği
- ▶ İstanbul Tekstil ve Konfeksiyon İhracatçı Birliği (İTKİB)
- ▶ Zincir Mağazalar Derneği (ZMD)
- ▶ Türkiye Odalar ve Borsalar Birliği (TOBB) Türkiye Perakendecilik Meclisi

Our Sustainability Collaborations

As Penti, we take care to provide clear and transparent collaborations that are goal-oriented through a variety of channels and media in order to comprehend the needs and expectations of all our stakeholders and to meet them.

These collaborations are as follows:

- ▶ Collaboration with the Marine Life Conservation Association
- ▶ Support sponsorship of Yıldız Technical University Mentoring Project
- ▶ Let's Do It Turkey and Çorlu Municipality World Cleanup Day event
- ▶ DOHAS – Nature and Animal Lovers Association-Çorlu cooperation
- ▶ Work Life Challenges of the Visually Impaired Seminar (Turkish Federation of the Blind, Vice President Şule Sepin)
- ▶ Participant support of the Women of the Sea Sustainable Development and Solidarity Association “Writings with the Scent of the Sea” Project
- ▶ Mesopotamia Agriculture Seed and Natural Dyeing Project
- ▶ Employee Support line: Avita Bi'danış Always with You support
- ▶ Hyosung Çerkezköy Zero Waste Project
- ▶ Academic and technical education protocol with Namık Kemal University
- ▶ Retail Academy – retail education for university students from Pentili unit leaders
- ▶ Recruitment of interns regularly with Bahçeşehir University COOP Project
- ▶ Sustainability Academy

Our Collaborations and Partnerships by Field



IT

- Bicentrix
- Mersus
- NTT Data
- Realcore
- Solvoyo
- Nebim
- B2BStore
- Yöntem
- Montag
- Aya Bilişim
- GlassHouse
- BSS
- Dcat
- Idecon
- SAP
- Turknet
- Isnet
- Esproit
- NCR
- CED
- Manhattan
- Skalla
- Adeo
- Elektroser
- Datamarket
- Biltam
- Asis
- ZeroSecond
- NGtek
- Genc Telekom
- Meyer
- Pronet
- Encore
- Padima
- Bimser
- Clonera
- Enderun
- Gobito
- Wicasa
- Sympro
- Logsign
- Innthebox
- Felece
- KoçSistem
- Data Market
- Google
- Meta (Facebook, Instagram)



DIGITAL-E-COMMERCE

- ▶ **Penti Turkey**
- Boosmart
- Inbound
- Gelir Ortakları
- Linkadoo
- Personaclick
- SEM
- ZEO
- Adjust
- CR Wizard
- More Than Social
- RTB House
- Criteo
- Google
- ▶ **Penti Romania**
- Boosmart
- Related
- CR Wizard
- RTB House
- Criteo
- Inbound
- Google
- Meta (Facebook, Instagram)



SOCIAL RESPONSIBILITY- ENVIRONMENT- SUSTAINABILITY

- UN Global Compact Climate Ambition Accelerator
- Marine Life Conservation Association
- SDG Map Turkey
- Let's Do It Turkey
- DOHAS (Nature and Animal Lovers Association)
- Women of the Sea Sustainable Development and Solidarity Association
- Hyosung Çerkezköy
- Sustainability Academy



SOCIAL GENDER EQUALITY

- UN Global Compact Target Gender Equality "Yanıdayız" Association



CULTURE AND ART

- Kariyo & Ababay Foundation
- Başka Sinema



QUALITY

- Ekoteks Laboratuvar ve Gözetim Hizmetleri
- Intertek
- Bureau Veritas
- Kiwa
- Enderun Akademi
- Eurofins
- AND Belgelendirme
- AQM
- Control Union
- DQS
- Elevate



Certificates We Have

Since the day we were founded, we have been paying attention to quality standards and documentation in the field of production. We contribute to the development of sustainability practices via integrated management systems; efficient data tracking, risk management, and goal setting.

Standard/Certificate Name

R&D Center Certificate		ISO 27001 Information Security Management System	
BSCI		ISO 45001 Occupational Health and Safety System	
Clean Chain		ISO 50001 Energy Management System	
M&S Eco-Factory Standard		ISO 9001 Quality Management System	
Laboratory Accreditation Certificate (Tesco)		Kolza Biodizel A.Ş. Carbon Reduction Certificate based on ISCC certificate	
GRS Scope Certificate		OEKO-TEX Certificate	
Happy Place to Work Certificate (The Happiest Workplace)		Sedex	
Higg FEM		Design Center Certificate	
Higg FSLM (SLCP)		Authorized Economic Operator (AEO) Certificate	
ISO 10002 Customer Satisfaction Quality Management System			
ISO 14001 Environmental Management System			

In addition, while continuing to produce according to environmental norms and standards such as REACH, Blue Sign and ZDHC, as we have stated in Penti Code of Business Ethics Employee Handbook, we conduct all our activities by observing the applicable legal regulations, rules and high ethical standards.

Our Awards and Achievements

We continue to receive awards in various fields for the implementation of successful projects.

We manage our business “Based on Knowledge” for a more equal world.

2021

Great Place to Work

We were elected as the “Best Employer” for the second time consecutively at Great Place to Work, where the Best Employers are selected worldwide..

Brandon Hall

We were entitled to receive the “Best Progress for Leadership Under Crisis” award.

GpTW

We were granted the “Best Employee in Europe” award.

2020

GpTW

We were included in the list of Turkey’s Best Employers in 2020 as a result of the employee satisfaction survey conducted with Penti employees by GpTW, which elects the best employers in Turkey, and the Culture Audit workplace culture analysis, in which all HR practices were analyzed.

GpTW

We were entitled to receive the “Best Worker” award.

PERYÖN

We advanced to final in the competition themed “Creating Value in Uncertain Times”.

2019

Stevie Awards

We were granted the gold award in the “Best Diversity and Sensitivity Training” category at the Stevie Best Employers Awards.

Stevie Awards

We were entitled to receive the bronze award in the “Best Young Recruitment Strategy” category of the Best Employers Awards.

2018

Stevie Awards

We were entitled to receive the gold award in the “Communication Campaign of the Year”.

We manage our business “With Passion for the Planet” for a more equal world.

2021

REPREE Sustainability Champions Awards

As Penti, we were granted the REPREE Leading the Change special category award.



2021

UNGC The Partnership for Sustainability

Project finalist with the I'M IN collection



 For detailed information, you can refer to: [Repree 2021](#)

Detailed information can be obtained from - [THE PARTNERSHIP FOR SUSTAINABILITY AWARD \(finalist\) 2021](#)

We manage our business **“With Respect for People”** for a more equal world.

2021

Sustainable Business Awards 🏆

We advanced to final with Penti Çorap Factory PYS Project.

Capital Magazine 🏆

According to the 2021 results of Capital magazine, we ranked 2nd among companies with 84.7% of female managers and 1st with 90.1% of female employees.

Marketing Turkey 🏆

Our My Size One Size collection was selected as the most innovative product of the year in the “Innovative Products of the Year” research of Marketing Turkey.

İHKİB Successful Exporters Awards 🏆

As Penti Çorap Factory, we won the gold award at the İHKİB Successful Exporters Awards.

Top 50 list with the most trademark registrations

As Penti Çorap Factory, we rank 11th in the top 50 list with the highest number of trademark registrations.

“Top 50 Companies Spending on Digitalization” list

As Penti Çorap Factory, we ranked 13th in the list of “Top 50 Companies Spending on Digitalization”.

Kariyer.net 🏆

We were entitled to receive the “Respect for Human” award.

Kariyer.net 🏆

We were elected as the “Company Contributing to Employment of the Year” with the Respect to People award.

Kariyer.net 🏆

We were entitled to receive the “Employer with the Most Female Employers” award.

Kariyer.net 🏆

We received the “Recruitment Champion” award.



2020

TopTalent 🏆

We were entitled to receive the “Young Maestro” award.

Kariyer.net 🏆

We received the “Respect for Human” award.

Kariyer.net 🏆

We won the “Respect for People” award.

GPtW 🏆

We were entitled to be called as the workplace with the Great Place to Work certificate by the Culture Audit Workplace culture analysis by which HR practices were analyzed as well as the employee happiness survey conducted with Penti employees.

Martech Awards 🏆

With the “Mybratouch” Project, we were entitled to receive the 1st prize in the category of “Best Technology in the Apparel Industry”.

2019

Social Media Awards 🏆

We won the “Best Social Media Use in the Underwear Industry” gold award in the field of data analytics.

Kariyer.net 🏆

We were elected as the “Company Contributing to Employment of the Year” with the Respect to People award.

Kariyer.net 🏆

We were elected as the “Company of the Year Contributing the Most to Women’s Employment” with the Respect to People award.

PERYÖN 🏆

We won the first prize in the “Employer Brand Management and Loyalty” category

Brandon Hall 🏆

We were granted the “Best Recruitment Marketing and Employer Brand” award.

Brandon Hall 🏆

We were granted the “Excellence in Talent Acquisition” award.

**Retail Competition
Talent Program** 🏆

We were granted the “Best Talent” award in the Retail Competition Talent Program.

Stevie Awards 🏆

We were entitled to receive the “Best Young Talent Program” award with Genç Ritim.

PERYÖN 🏆

We were granted the “Employee Branding” award.

2018

**IDC Cloud&Datacenter
Roadshow** 🏆

We were granted the third prize.

IDC Turkey 🏆

We were entitled to receive the “Best Woman” award in the “Analytics Champion” category at the “Women in the Technology Industry” awards.

IDC Turkey 🏆

We were granted the “Best Woman” award in the “Data Leader” category at the “Women in the Technology Industry” awards.

Stevie Awards 🏆

We were entitled to receive the Silver Stevie award in the Internal Communication category at the 2018 Stevie Best Employer Awards with the employer brand Ritm’İK, which meets with Penti employees and potential Penti employees.

Secretcv.com 🏆

We were granted the “Star of HR” award.

Stevie Awards 🏆

We were entitled to receive the “Internal Communication” award.

7th MIXX Awards 🏆

We were entitled to receive the “Snap Showcase and Digital” award.

2017

Marketing Turkey 🏆

We were granted the “Reputable of the Year” award in the category of the Most Successful Female Brand Face of the Year.



We manage our business with “care” for a more equal world.

2019

Top Talent Programs 🏆

We were entitled to receive the 3rd prize in the textile sector category with the “Retail Challenge Program” in the voting made by the university students.

2018

Marketing Turkey 🏆

We were granted the “Coolest Brand of Underwear Category Penti” award.

MediaCat 🏆

Love Brand Award. We were entitled to receive the “Love Brand” award in the underwear category.

Capital magazine Retail Innovation Forum & Awards 🏆

We were elected as the largest retailer in the Underwear Retailing category with the number of stores.

The One Awards Integrated Marketing Awards 🏆

We ranked first with Aslı Enver in the category of “The Most Successful Female Brand Face of the Year”.

8th Golden Mix Awards 🏆

We won an award with the Mybra Project in the category of “Brand Destination Sites”.

Stevie Awards 🏆

We were awarded the Golden Stevie Award in the Internal Communication category at The Stevie Awards for Women in Business Awards with “My Bra Academy”, which supports the careers of Penti employees in our stores, which adopts the principle of offering a unique experience to its customers.



Our Ethical Business

Due to the globalization of the economy, business ethics are now a requirement for all companies. Businesses' long-term success can be positively affected by their adherence to business ethics and negatively affected by their disregard for it.

Integrity and compliance are integral components of Penti's business culture. As Penti, we are aware that maintaining our operations in accordance with our principles, values, applicable laws and regulations makes them sustainable. When determining the operational principles, we consult internationally recognized standards. Therefore, Penti's ethical business acumen is one of its greatest strengths.

In order for Penti to continue its activities as a reputable and trustworthy company, it must have common values that are understood and accepted by all company employees, and provide an open, honest, fair, and respectful work environment to all of its stakeholders.

The Penti Ethical Principles Guide, which we have created for this purpose, is a summary of the standards we intend to uphold in all of our endeavors. These standards represent our commitment to our employees, shareholders, clients, and suppliers, as well as to society as a whole. Consequently, we expect all of our employees to adhere to and comply with these principles.

It is considerably important to support those applying to such channels in good faith as well as providing channels through which people can voice their concerns and seek advice, in order to foster an enterprise-wide culture where these principles are fully implemented. For this reason, Penti employees are able to use the company's Ethics Line whenever they witness unethical conduct in the workplace.

Our business partners, including customers, suppliers, and other key stakeholders, are expected to follow our Ethical Principles and Policies. Our ethics committee, which reports to the executive board, is the highest ethical authority at Penti.

The Penti Code of Business Ethics includes the tenets of establishing a fair working environment, combating corruption, maintaining a respectful workplace for employees, adhering to health, safety, environment, and security regulations, as well as being honest and credible in business and dealings with business partners.



ETHICS COMMITTEE

In accordance with Penti Code of Business Ethics, Penti Ethics Committee is responsible for reviewing and responding to any inquiries or complaints that may arise. This sub-committee of Penti Executive Board consists of the following individuals.

- 1 General Manager

- 3 Members of the Executive Board

- 1 Internal Audit Director

Our Anti-Bribery and Anti-Corruption Policy

When determining the operational principles, we refer to internationally recognized standards. Our company conducts all operations in accordance with the Anti-Bribery and Anti-Corruption Policy's fundamental principles and procedures. Anti-bribery and anti-corruption are among the issues on which Penti never compromises in accordance with ethical business principles, and they are an integral part of our business culture. The Business Ethics Principles define in detail the rules that all suppliers must follow, which include the following: compliance with legal regulations, prevention of forced labor, prevention of child labor, non-discrimination, providing a healthy and safe workplace, respect for the right of workers of organization, traceability, environmental sensitivity, fair wages, and fight against corruption and bribery.

It is essential that Penti Group Company and employees do not accept gifts or benefits that may affect their impartiality, decisions or behavior, and do not attempt to provide gifts and benefits to 3rd party individuals and organizations that may cause such effects.

Being a signatory to the Global Compact, Penti undertakes to abide by the 10 principles of the Global Compact. In this context, as Penti we act in accordance with the article 10 of "Business world should fight against all kinds of corruption, including bribery and extortion," mentioned under the heading "Anti-Corruption". In addition, the fight against bribery and corruption is included in Penti Ethical Principles Guide.

ANTI-BRIBERY AND ANTI CORRUPTION POLICY

► Penti Çorap Factory has implemented an Anti-Bribery and Anti-Corruption Policy to demonstrate its concern for business ethics. Because the issue is a legally punishable act as well as being business ethics, it is one of Penti's expectations that employees be sensitive to it and evaluate it as part of their personal duties and responsibilities regardless of their working life.

► Penti Çorap Factory takes a sensitive approach to bribery and corruption in order to protect the rights of all stakeholders, and we explicitly prohibit bribery and corruption in all of our activities.

► At Penti Çorap Factory, we protect the legal rights of government agencies, suppliers, customers, employees and other stakeholders. The accounting transactions are recorded completely, accurately, and fairly, and we implement internal control systems to prevent unrecorded transactions.

► As Penti Çorap Factory, we have adopted the principle of adhering to laws and regulations pertaining to bribery and corruption, universal legal rules, ethical and professional principles.

► Even if such practices are common in the country or industry, bribery or corruption may occur if individuals within the scope of the Anti-Bribery and Anti-Corruption Policy offer payment or anything of value to obtain a legal and unethical benefit, or obtain a similar benefit from other organizations and individuals, and it is prohibited to engage in any legal and unethical behavior that could be considered corrupt.

► Within the scope of this principle, it takes a "zero tolerance" approach to bribery and corruption; we are committed to conducting our business in a fair, honest, legal, and ethical manner.

► It makes no difference what the material value of the benefit is that is the subject of bribery and corruption is, or whether any action is taken for the other party in return. If the interest and/or offer has not yet been fulfilled, it will be a violation of the Anti-Bribery and Anti-Corruption Policy.



OUR COMMON STORY

As humanity, our story has been common so far.

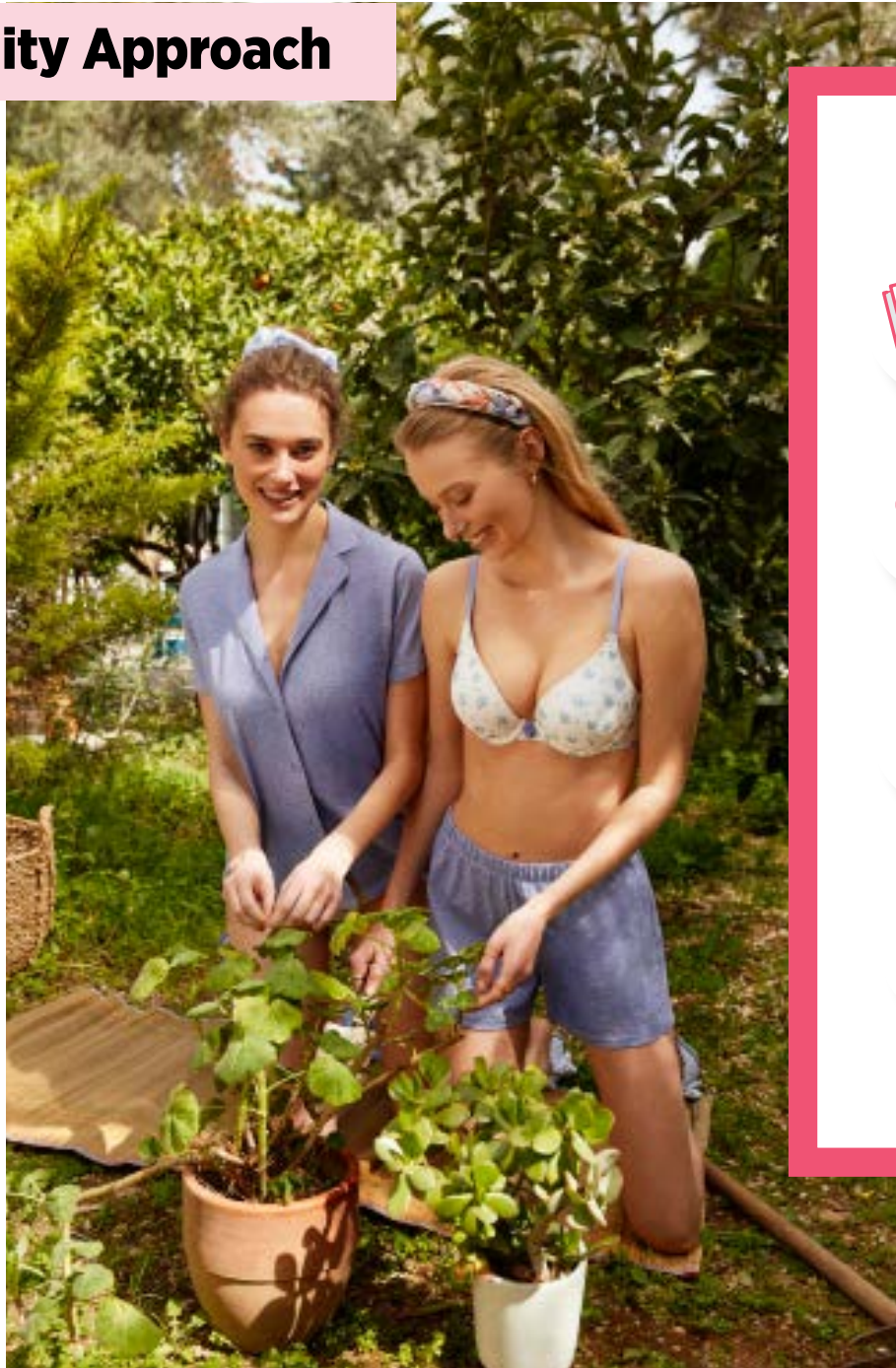
Together, we continue our story with a contemporary understanding of sustainability. We are aware that what we will do next will be the lines of our common story.

“I’m in for Change”

Our Sustainability Approach



We have been producing solutions for future-proof products for seventy-two years. Productivity is directly related to lower energy, chemical use, and raw material consumption and is one of our top concerns. Valuing our employees and maintaining close, long-lasting relationships with our stakeholders has always great importance for us. Multiple audits and third-party validators ensure the sustainability of all of our products, operations, locations, and business practices. We believe in sustainable development and are transparent about its outcomes.



As Penti, on the basis of our sustainability understanding:



Knowledge...

Adherence to scientific bases



Passion...

Compliance with the green economy



Respect...

An egalitarian and inclusive approach to business that acknowledges diversity



Care...

Sharing all the value we produce fairly

To eliminate the adverse effects of humanity's past mistakes and establish a more habitable planet, we are implementing a business strategy that is compatible with the common goals published on a global scale and spreading this strategy to all of our stakeholders.

In this context, we are committed to demonstrating a sustainability performance within the framework of the UN Global Compact that will contribute to the achievement of the UN Sustainable Development Goals 2015–2030.

While focusing on a more livable future, we believe that our environmentally friendly production and investments give us an important place among globally responsible brands.

We also continue to move our place higher among responsible brands.



As part of our commitment to the planet, we are constantly searching for environmentally friendly alternatives. Our goal as a manufacturer is to provide collections that are designed and manufactured sustainably. In this context, our sustainability goals are contained within a 10-year plan; we evaluate our products based on three distinct categories, including our production facility and retail outlets.

We aim to eliminate all single-use plastic from our packaging and hangers by selecting materials that are 100% recyclable and reusable.

We are working to reduce our production facilities' energy consumption, waste output, and water consumption. As part of our commitment to our production processes, we implement efficient programs within the scope of the zero-waste initiative.

To neutralize our carbon footprint in the context of combating climate change and preserving biological diversity, we collaborate with companies that are experts in their respective fields.

In our first recycled collection, "I'm in" for change we ensured the recycling of 1 million PET bottles and over 5 tons of industrial nylon waste, both of which are wastes in nature, in collaboration with the Unifi company for the production of this collection. We utilized 45% less energy, 20% less water, and 30% less carbon emission in our production processes.

Our goal is to increase the use of sustainable cotton and recycled polyester to **45%** by 2025, to **60%** by 2027 and to **95%** by 2030, by integrating new technologies that reduce the use of water, energy and chemical products into our production processes.



By 2030, we aim to source **95%** of our cotton and polyester-based products from sustainable sources.

With this collection, we became the first Turkish brand to receive a special award from the international platform **"REPREVE® Champions of Sustainability"** in the category "Leading Change" for our support for sustainable fashion.

Our Priorities (Materiality)

“In 2021, we established the Sustainability Committee (Better Life Team) within Penti Giyim Retail to determine our most important sustainability issues from a strategic standpoint.”

The most essential metric of corporate sustainability is selecting the appropriate sustainability issues to focus on and establishing strategies for these focus areas. These identified priority issues serve as the foundation for our vision and action plans regarding sustainability.

To identify areas where shared value can be created, companies must consider both stakeholder perspectives and their strategic business approach. As Penti, we are concerned that our actions with respect to local and global trends and business strategies contribute to stakeholder analysis while determining our top concerns. We are attempting to incorporate the expectations, perceptions, and sustainability priorities of our internal and external stakeholders, which we quantify, into our future operations in a way that creates value for the company and for all of our stakeholders.

“In 2021, we established the Sustainability Committee (Better Life Team) within Penti Giyim Retail to determine our most important sustainability issues from a strategic standpoint.” With this committee, we held the “Sustainability Workshop” in 2021. Following the explanation of sectoral dynamics and global developments in sustainability, we conducted a general review study in the context of this workshop. We clarified the content of the survey we will conduct with all of our internal and external strategic stakeholders following this study, which we conducted in the workshop using an online survey.

In the continuation of this study, we conducted a prioritization analysis of sustainability issues, taking into account both Penti’s employees and its stakeholders. We reviewed economic, social and environmental issues, which are key indicators of sustainability, and identified 28 potential sustainability issues. Within the framework of the identified sustainability issues, we conducted an online impact assessment survey with both internal and external stakeholders to determine which issues have the greatest impact on sustainability performance and, as a result, should be given the

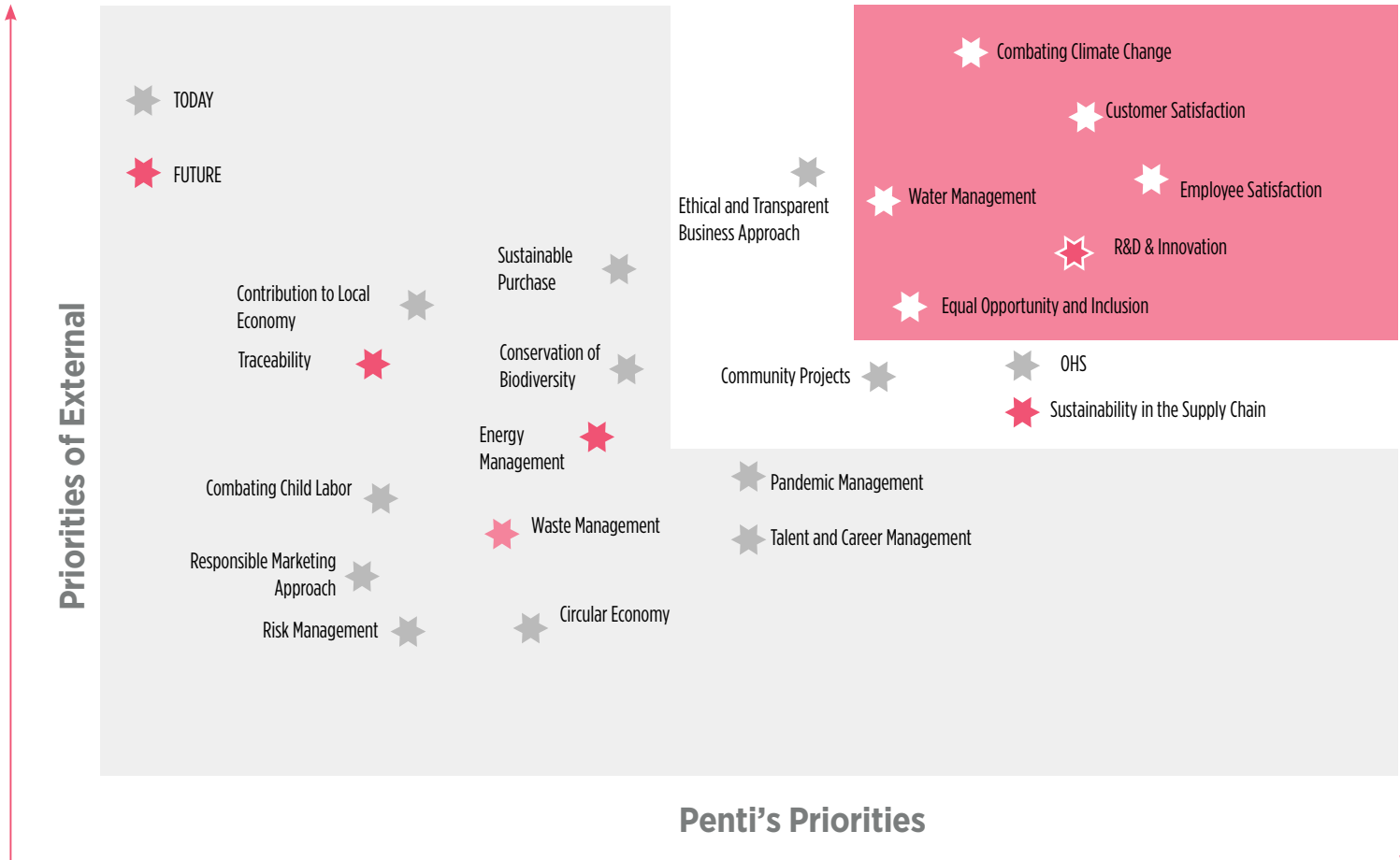
highest priority. We prepared a prioritization list for Penti internal/ external stakeholders for 28 focus topics, both now and in the future, during the study.

The survey on the assessment of sustainability issues included 399 Penti employees and 214 external stakeholders. Our employees were divided into groups to represent all functions and departments within the scope of the survey. External stakeholder feedback, on the other hand, was received from all stakeholder groups with which Penti has close relationships, especially customers, suppliers, regulatory bodies, and the media.

The analysis included stakeholder feedback as well as global sustainability trends such as the European Green Deal, WEF Stakeholder Capitalism Metrics, and Sustainable Development Goals. Penti Sustainability Priorities Matrix was determined with the opinions of the senior management.

As Penti Çorap Factory, we place sustainability at the center of our business model focused on creating value. In this context, we established 5 sustainability committees in 2021. The EMS Committee establishes the company’s environmental strategies. It takes part in social responsibility projects. Energy & Air Emissions Committee’s action plans include saving in the amount of energy used, reducing losses, trend towards renewable energy sources (solar energy), reuse of waste energy, energy distribution analysis of equipment and energy audit studies. The Chemical Committee aims to minimize our impact on the environment by preparing a chemical improvement plan and to monitor the chemical supply chain on digital platforms. The Water & Waste Water Committee works to save water consumption, reduce losses during water use, recycle, reuse, and increase different natural resources (rainwater harvesting, etc.). The Waste Committee produces projects for reducing the amount of waste generated during production, recycling, increasing the use of recycled raw materials, and zero waste.





High Priority Issues



- ▶ Customer Satisfaction
- ▶ Combating Climate Change
- ▶ Employee Satisfaction
- ▶ Water Management
- ▶ Equal Opportunity and Inclusion
- ▶ R&D and Innovation



- ### Fundamentals-Values
- ▶ Corporate Governance,
 - ▶ Anti-Corruption
 - ▶ Ethical and Transparent Business Approach

As corporate governance approach, anti-corruption, ethical and transparent business understanding, which are among our priority issues are the primary factor of all issues determining our method of doing business and required to be managed by us, we have adopted the same as our bases.

We are trying to manage our high priority issues we have determined with corporate governance principles, ethical and transparent business understanding.



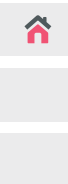
Our Relationship with Our Stakeholders




Strong and effective stakeholder relationships are a fundamental principle of sustainability studies. In this context, Penti defines stakeholders as individuals and organizations that are affected by and affect our activities, and that can have an impact on achieving our global objectives and sustainability objectives. While evaluating the needs and expectations of each stakeholder in the value chain, we regard their ideas and feedback as an integral part of our efforts to achieve continuous improvement. We aim to align all of our decisions and actions with sustainability priorities while communicating with different stakeholders and focusing on different areas.

We persist in our efforts to achieve high communication rates that enable us to comprehend and meet our stakeholders' expectations.







The table Our Stakeholder Communication Platforms lists the current communication platforms and frequency of communication with our stakeholders.

We work to understand the expectations of our stakeholders and to meet these expectations.



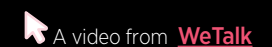
STAKEHOLDERS	COMMUNICATION PLATFORM	COMMUNICATION FREQUENCY
<p>Employees Penti head office, store and factory employees</p> 	<ul style="list-style-type: none"> ▶ WeTalk ▶ Coffee conversations with CEO and executive board executives ▶ Penti Council ▶ Penti Teams (Talent Management team, Gender Equality team, Savings team, Customer Happiness team etc.) ▶ “I’m Listening to You” Meetings (headquarter is listening to stores) ▶ I-COM ▶ destek@pent.com.tr ▶ ikbilir@pent.com.tr ▶ uruninceleme@pent.com.tr ▶ GPTW satisfaction surveys ▶ Manager – employee monthly one to one meetings ▶ Manager – employee quarterly T-talk performance review meetings ▶ Via the PYS System, announcement boards, cafeteria TV screens, email, union workplace representatives, request and complaint boxes, open door application, e-Open Door, HR error card, and suggestion modules. 	<ul style="list-style-type: none"> ▶ WeTalk / four times a year ▶ Coffee conversations with executive directors / quarterly ▶ Penti Council / every month ▶ Penti Teams (Talent Management team – twice a year, Gender Equality team – every month, Savings team, Customer Happiness team etc.) ▶ “I’m Listening to You” Meetings (headquarters is listening to stores) – 2 per year ▶ I-COM – every day ▶ destek@pent.com.tr – every day ▶ ikbilir@pent.com.tr – every day ▶ uruninceleme@pent.com.tr – every day ▶ GPTW satisfaction surveys - once a year ▶ Manager – employee monthly one to one meetings - every month ▶ Manager – employee quarterly ▶ T-talk performance review meetings – quarterly
<p>Customers</p> 	<ul style="list-style-type: none"> ▶ Penti social media accounts (Facebook, Twitter, Instagram, LinkedIn) ▶ Penta mobile application ▶ pent.com ▶ hr.pent.com (kurumsal website) ▶ Digital and print publication ▶ Television, radio, billboards, advertising broadcasts 	<ul style="list-style-type: none"> ▶ Regular communication ▶ TV commercial – once or twice a year
<p>Investors</p> 	<ul style="list-style-type: none"> ▶ Board presentations, board meetings ▶ Activity reports 	<ul style="list-style-type: none"> ▶ Every quarter



<p>Non-Governmental Organizations</p> 	<ul style="list-style-type: none"> ▶ Penti social media accounts (Facebook, Twitter, Instagram, LinkedIn) ▶ Digital and print publication ▶ Television, radio, billboards, advertising broadcasts ▶ Sharing of joint projects 	<ul style="list-style-type: none"> ▶ Regular communication
<p>Universities</p> 	<ul style="list-style-type: none"> ▶ Retail Academy ▶ University career days ▶ Participation in university events as a speaker 	<ul style="list-style-type: none"> ▶ Retail Academy – once a year ▶ University career days – many throughout the year ▶ Participation as a speaker at university events – many throughout the year
<p>Media</p> 	<ul style="list-style-type: none"> ▶ Marketing agencies ▶ Penti social media channels ▶ Digital and print publication ▶ Television, radio, billboards, advertising broadcasts ▶ penti.com 	<ul style="list-style-type: none"> ▶ Regular communication
<p>Suppliers</p> 	<ul style="list-style-type: none"> ▶ Supplier Collaboration notifications ▶ Supplier improvement meetings ▶ Supply Chain Management (SCM) Performance Results ▶ All operational communication is ensured through the SCM digital supplier portal 	<ul style="list-style-type: none"> ▶ Supplier Collaboration notifications – every day ▶ Supplier improvement meetings – quarterly ▶ Supply Chain Management (SCM) Performance Results – monthly ▶ All operational communication through the SCM digital supplier portal – every day
<p>Franchisees</p> 	<ul style="list-style-type: none"> ▶ Penti social media channels ▶ Digital and print publication ▶ Television, radio, billboards, advertising broadcasts ▶ penti.com & penti.com.ro ▶ Order portal (b2b.penti.com) 	<ul style="list-style-type: none"> ▶ Regular communication ▶ Order portal; 4 times a year
<p>Public Institutions</p> 	<ul style="list-style-type: none"> ▶ Penti social media channels ▶ Digital and print publication ▶ Television, radio, billboards, advertising broadcasts ▶ penti.com 	<ul style="list-style-type: none"> ▶ Regular communication

WeTalk; WeTalk is a quarterly event where the CEO of Penti Giyim Retail meets with all head office employees to discuss the company's current situation and developments, make announcements, and answer employee questions. Employees can ask any question they want anonymously or ask

expressly before the event, and can take the floor during the event. In this event, it is aimed to have a transparent communication between the CEO, other Executive Board managers and employees.



Speeches and Conferences



▶ Spokesperson at 8th Retail Technologies Conference, "The Future of Retail: Online or Offline? Speaker at the session:
CEO **Mert Karaibrahimoğlu**, 8 December 2021

▶ Spokesperson at the Meet **WOW event** organized by 3İK: CCO **Ayşin Bicioğlu**, 11 November 2021

▶ Spokesperson at the **CEO Stories Summit**: CEO **Mert Karaibrahimoğlu**, 15 October 2021

▶ Spokesperson in the session titled "**We Share Penti's Music!**" at 12 Talks with Umut Kılınc: CHRO **Selim Arda Üçer**, October 2021

▶ "**We Are Online With Penti's Rhythm!**" at the Interaction and Development Camp organized by 3İK. Spokesperson: Corporate Transformation & Employee Happiness Manager **Müge Çevik Tuğcu**, 8 September 2021

▶ Spokesperson at the panel titled "**Diversity and inclusion strategy and sectoral challenges with a C-Level perspective**" at the Women Transforming Technology Summit organized by IDC: CHRO **Selim Arda Üçer**, 1 December 2021

▶ 17th Turkey Contact Center Days Conference, People & Culture Panel, "**We Talk Sustainability in Human Resources!**" Spokesperson: CHRO **Selim Arda Üçer**, 4 November 2021

▶ Spokesperson at the "**360 Degree Customer Experience in the Retail Industry**" panel organized in collaboration with DC & Logo: CTO **Alper Harput**, October 2021

▶ Spokesperson at the session on "**Sustainable Value Chain at Penti**" at the 13th International Ekoteks Symposium: Buying & Quality & Sustainability Director **Yunus Ünal**, 29 September 2021

▶ Spokesperson at the Fortune 500 Digital Turkey Summit with the title of "**Penti's Digital Transformation Journey**": CEO **Mert Karaibrahimoğlu**, 7 September 2021

▶ Spokesperson at the Business Transformation Tour: CTO **Alper Harput**, 14 June 2021



Our Sustainability Goals

As Penti, our primary objective is to recognize and accept diversity in nearly all spheres of human activity, as well as in nature, and to ensure equality through the creation of an inclusive system.

Relationship between PENTI Strategy and Sustainability Model

Our Business Strategy and Mega Trends



MEGA TRENDS



- ▶ Uncertainties in the economic structure
- ▶ Changes in consumption pattern
- ▶ Supply chain disruptions
- ▶ Change of business mentality



OUR STRATEGIC BUSINESS AREAS

- ▶ Business approach with stakeholder participation
- ▶ Dissemination of our ethical business understanding
- ▶ Qualified risk and opportunity analyzes
- ▶ Better quality products/services

UN.SDG



KNOWLEDGE
PASSION
RESPECT
CARE



STRATEGIC POSITION

We are sharing our ethical and quality business understanding with all of Penti's shareholders.

We are building our future with the contribution and knowledge of our common mind.



OUR STRATEGIC GOALS

1- Developing goals and strategies in accordance with Penti's sustainability commitments, and ensuring that the roadmap is implemented.

2- Developing and implementing a sophisticated management strategy to ensure the inclusion and representation of all stakeholders in decision-making mechanisms.



Climate Change and Risks



MEGA TRENDS



- ▶ **Climate Change**
- ▶ **Disruption of terrestrial systems**
- ▶ **Decreased fresh water**
- ▶ **Loss of biodiversity**



OUR STRATEGIC BUSINESS AREAS

- ▶ Reducing emissions
- ▶ Water conservation activities
- ▶ Conservation of biodiversity
- ▶ Transition to the recycling economy

UN.SDG



KNOWLEDGE PASSION RESPECT CARE



STRATEGIC POSITION

As Penti, we carry out all our activities in harmony with the planet and all its elements.

We passionately protect our inspiring planet.



OUR STRATEGIC GOALS

- 1-** Achieving our sustainable product goals through increased awareness of responsible production and responsible consumption.
- 2-** Focus on sustainable product design.
- 3-** Creating a process plan to ensure maximum energy efficiency in manufacturing processes.
- 4-** Focus on long-lasting fabric and product design.
- 5-** Establishing the infrastructure that will ensure raw material continuity.
- 6-** Using our local supplier network to reduce the carbon footprint of raw materials and products.

Human Health Equality and Inclusion



MEGA TRENDS



- ▶ Risks to human health
- ▶ Gender inequality
- ▶ Devastating impact of inequalities
- ▶ Change in talent needs



OUR STRATEGIC BUSINESS AREAS

- ▶ Prioritization of human rights
- ▶ Ensuring gender equality
- ▶ Human health practices
- ▶ Talent management practices

UN.SDG



KNOWLEDGE
PASSION
RESPECT
CARE



STRATEGIC POSITION

As Penti, we provide an equitable and inclusive business environment with all our stakeholders.

We respect the health and future of our entire value chain.



OUR STRATEGIC GOALS

- 1- Ensuring the continuity of an environment that fosters human-rights-compliant working conditions in all units of Penti value chain.
- 2- In this context, providing trainings to all stakeholders to raise awareness of gender equality and emphasize its importance.
- 3- Developing and disseminating Penti in-house practices as part of the gender equality program.

Social Development and Innovation



- ▶ Impact of social inequalities
- ▶ Geopolitical issues and inclusion
- ▶ Innovation and R&D need
- ▶ New responsible business approach

- ▶ Accessibility to our products and services
- ▶ Innovation understanding
- ▶ Development of R&D activities
- ▶ Social responsibility projects



KNOWLEDGE
PASSION
RESPECT
CARE



As Penti, we believe in collective improvement and development and share our value with the society.

We embrace a beautiful future together with love.

- 1- Planning social responsibility projects that will contribute social development and welfare in accordance with the partnerships we have formed with our stakeholders.
- 2- Realizing innovations that best meet the needs of consumers while adhering to our leading brand identity.
- 3- Making the most of technology in terms of product accessibility and customer experience.

Global Compliance (SDG Mapping)

We are aware that a more habitable world is possible if the planet is protected first. Climate change is scientifically proven to be the most significant problem we face on a global scale.

The protection of our natural resources and the achievement of climate action will be possible if everyone participates in the necessary studies in this area. To ensure this participation, however, it is necessary to increase the general welfare and, consequently, everyone's participation in the economic and social processes.

As a result, our primary objective as Penti is to realize and accept diversity, which is the fundamental condition for the sustainability

of nature, in almost every area where we conduct business, and to ensure equality by developing an inclusive system.

Elimination of all forms of discrimination, beginning with gender equality in the social sphere, will ensure that the entire human population is included in the common development effort. In addition, it is essential that this effort be demonstrated both in terms of attitude and participation in decision-making processes.

Penti values gender equality. Understanding gender equality in the corporate culture entails women's participation in all economic processes as decision-making authority, as well as access to a production capability and the right to support their cultural development in the social field.

★ We can list the areas that we primarily aim to contribute to the global sustainability goals as follows:



Achieving Gender Equality



Reducing Inequalities



Establishing a Decent Work Environment and Supporting Economic Growth



Ensuring Quality Education



Healthy Individuals

★ The prioritization in the social sphere is followed by the execution of all production processes with greater respect for nature and humanity. For this reason, the goals that we will contribute as the second group can be listed as follows:



Supporting Climate Action



Innovation in Industry and Building Resilient Infrastructures



Protection of Terrestrial Ecosystems

★ Achieving all of our goals will only be possible with the more active support of two goals. These are:



Peace, Justice and Establishment of Strong Structures



Establishing the Partnerships for the Goals.



For a More Equal World... We are working

For a more equal world...

We work with knowledge, passion, respect, and care to ensure that all elements of the planet we call earth and every member of the global community we call humanity have a more egalitarian future in which their existence and rights are protected.

As Penti, we discuss and monitor the performance we exhibit while managing, producing, and sharing our business under four main headings, and we report and share them in order to keep all of our stakeholders informed.

For a More Equal World...





KNOWLEDGE

As Penti, we share our business approach, which includes ethics and quality, with all our stakeholders.

By involving our stakeholders
With a more ethical business approach
We capture the future.

We are building our future with the contribution and knowledge of our common mind.

Knowledge; represents our business approach of managing with the expert, qualified, and egalitarian management of Penti, which has been able to conduct risk and opportunity analyses in a healthy and accurate manner since the company's establishment, and ensuring an ethical ground in order to enable the representation of all stakeholders and their participation in decision-making processes.



PASSION

As Penti, we carry out all our activities in harmony with the planet and all its elements.

We reduce our emissions
Value our water
Protect our biodiversity
We care about recycling

We passionately protect our inspiring planet.

Passion; represents protecting our planet's resources and our unique value, water, zeroing carbon and all types of greenhouse gas emissions, and ensuring the continuity of biodiversity in nature, including in our production processes and customer use of our products; and how we do business in harmony with the green and circular economy.



RESPECT

As Penti, we provide an equitable and inclusive business environment with all our stakeholders.

We care about human rights
Act with an egalitarian and inclusive attitude
Care about human health
Create opportunity for talents

We respect the health and future of our entire value chain.

Respect; represents our effort to protect the physical and mental health of the people we come into contact with in our demand and value chain, particularly our employees, to ensure their fundamental rights and freedoms, and to create a more egalitarian ecosystem that perceives and covers diversity and supports the development of each individual.



CARE

As Penti, we believe in collective development and progress and share our values with community.

For the progress of the community
And the economic development
We consider the constant innovation
As our social responsibility

We embrace a lovely future together with care.

Care; represents our principles of shared progress, which attaches importance to research and development activities that will contribute to the common development and growth of our global society and planet, of which we are a part, and makes the economic and social value it generates accessible to all of its stakeholders.





For development... KNOWLEDGE

We have huge problems on a global scale. But together we can solve them all. We, as humanity, know that we can solve these huge problems. We believe that the way to solve our problems is to work on scientific foundations, and there is no obstacle that we cannot overcome with rationality and **knowledge**.

Zübeyde Hanım

“Cumhuriyetimizin Kurucusu, Ulu Önder Mustafa Kemal Atatürk’ün



As Penti, we share our business approach, which includes ethics and quality, with all our stakeholders.

- By involving our stakeholders
- With a more ethical business approach
- With better quality products/services
- And with our risk analysis, we capture the future.

We are building our future with the contribution and knowledge of our common mind.

Protecting the planet's resources and ensuring the continuity of our social and economic systems will only be possible on a global scale if an egalitarian and participatory management approach with an understanding of conducting business based on rationality acts on a scientific foundation.

Penti's efforts to improve management quality and develop equitable decision-making competencies in accordance with the requirements of the age continue unabated.

Ensuring gender equality in management, establishing decision-making processes that ensure the representation of all stakeholders, and transferring our ethical understanding, which serves as the foundation of our fair and egalitarian business approach, to our ecosystem all necessitate a knowledge-based business approach.

Our Corporate Philosophy: Kyosei

Kyosei is our corporate philosophy. The Japanese concept Kyosei means “living and working together for a common purpose”. On the basis of this philosophy, there are people who live and work together for the common good.

We created today’s Penti in our second generation, led by Sami Kariyo, by transforming our company structure into retailing, and we aim to bring our brand together with future generations by building the Penti of tomorrow step by step with our structure that adapts quickly to the changing conditions that emerge every day.



Penti Mission

Our music at Penti

- ▶ Plays to enrich and facilitate women’s lives with our personalized products and services, making them feel special,
- ▶ To create extraordinary satisfaction for our customers by exceeding expectations.
- ▶ And with our claim to make a difference and our passionate service approach, to be a source of trust, appreciation and happiness for our consumers.



Penti Vision

Our rhythm in at Penti is

- ▶ Reinforcing our leadership in the product groups in which we operate,
- ▶ Strengthening our presence in international markets,
- ▶ Moving forward to become a global brand,
- ▶ Retaining and strengthening our global position as a supplier to many well-known and respected brands, as well as one of Europe’s top three hosiery manufacturers, and rapidly reflecting our leadership in the “Hosiery” product group to all our main product groups.

We apply the teachings of our philosophy under four main headings:

1. Sustainable Profitable Business Model

We make sustainability a reality at the strategy, product, growth, and accessibility stages.

2. Penti Internal Confidence

What we value in Penti collaboration are a common mind, team management, Penti experience, Penti health, and continuous learning steps.

3. Penti External Collaborations

We prioritize the following steps when developing our collaborations outside of Penti: Customer experience, supplier experience, non-governmental collaborations, and university collaborations.

4. Global Partnerships

We work with our international companies, foreign stores and companies to increase our global presence day by day.

Our strong corporate governance practices ensure the long-term viability of our operations. While we manage our activities within the framework of legal requirements and guided by our corporate values and ethical principles, we strive to continuously increase the value we create for our stakeholders.



As Penti Giyim Retail;

36 different countries

148 franchising



As Penti Çorap Factory;

Branded products to 45 countries,

Private Label Export to 16 countries





Our Values

Power

Creating opportunities for women to be empowered in every field in society,

Trust

Keeping our customers at the center of all our organizations and processes,

Collaboration

Working with pleasure, reaching our goals with cooperation and teamwork,

Courage

Encouraging to take initiative, paving the way for in-house entrepreneurship,

Competition

We take strength of leadership and competitiveness from our continuous development.

The top governing body of our corporate governance practices is our executive board. We believe that the different knowledge, skills, industry experience, professional background, and tenure of the executive board members will improve their decision-making processes and benefit all stakeholders.

The positions of chairperson of the executive board and CEO at Penti are held by different people. The internal audit unit monitors compliance with financial statements prepared in accordance with the International Independent Auditing Standards. In the management of sustainability issues, the executive board is also the top governing body.

At Penti, equality of opportunity is considered one of the key sustainability priorities. The current executive board of Penti Giyim Retail consists of ten individuals who believe that long-term success is dependent not only on increasing the total number of women in the organization, but also on their active participation in management processes. The rate of female executive board members reached 12.5% in 2019, 22.2% in 2020 and 30% in 2021.



Within the scope of Environmental, Social and Corporate Governance Policies established within Penti, there are;

- ▶ Information Security Management System Policy
- ▶ Environment and Energy Policy
- ▶ Occupational Health and Safety Policy
- ▶ Quality Policy
- ▶ PDPL Personal Data Related Person Application Form
- ▶ PDPL Personal Data Processing and Protection Policy
- ▶ PDPL Clarification Text of 3rd Persons Regarding the Processing of Personal Data
- ▶ Foreign Material and Metal Policy
- ▶ Social Compliance Policy
- ▶ Breastfeeding Policy
- ▶ Anti-Bribery and Anti-Corruption Policy
- ▶ Social Compliance Policy
- ▶ Gender Equality Policy
- ▶ Sustainability Policy.

For more detailed information about the PDPL and the clarification text, you can refer to the following addresses

- ▶ [Clarification Text](#)
- ▶ [PDPL Information](#)

The executive board is in charge of putting these policies into action. The executive board is also in charge of overseeing the sustainability management policy, strategy, and practices.

Penti has a business approach that includes ethics and quality that we share with all of our stakeholders.

PDPL: Personal Data Protection Law in Turkey

Penti Executive Board

“Penti Executive Board” provides all of Penti’s corporate goals, the relationships to be established with its internal and external stakeholders in order to achieve these goals, and the creation of the objective ground required to ensure that all stakeholders and suppliers in the demand and value chain act with the same ethical business approach.

The rational basis for the main objectives of this board is to achieve a more egalitarian and fair structure of Penti ecosystem, as well as to ensure and protect gender equality in business and in society.

The committee monitors all Penti activities, ensures that practices adhere to ethical standards, and works to protect the rights of all stakeholders.



Sustainability Management

Our Penti sustainability organization is promoted by two main units that report to the Executive Board.

Penti manages sustainability through teams and committees that are in charge of developing, monitoring, and reporting on priority areas.

Each team's goals and agenda, as well as their inputs and outputs, are defined, and their work is assured on a regular basis for regular reviews.

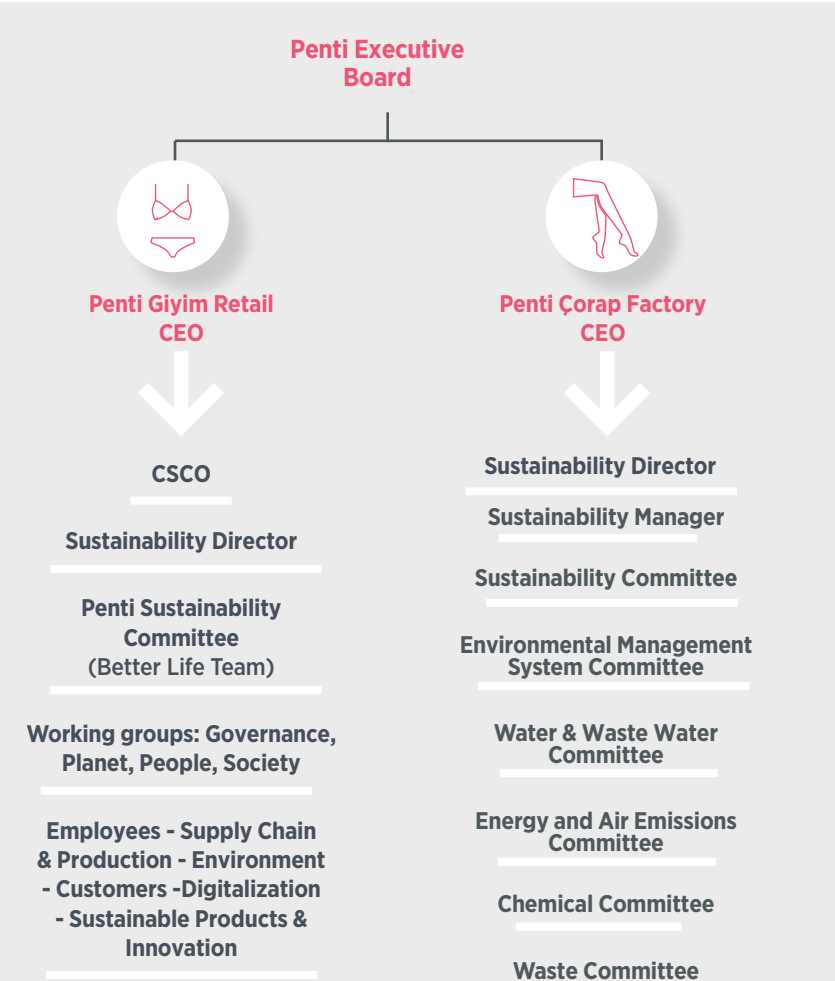
In order to monitor the environmental impacts of Penti Çorap Factory, 5 sustainability committees were established in 2021: **Environmental Management System, Water & Waste Water, Energy & Air Emission, Chemical, Waste.** These committees continue their projects and studies in their own fields. It is tied to the highest-ranking official in each of our respective organizations.

Our "Better Life Team" Sustainability Team

The "Better Life Team," which works to develop, protect, and expand Penti's understanding of sustainability, is primarily concerned with providing a more equitable and habitable planet for all of its members.

The team's work is supported by global developments in the field of sustainability, with a focus on determining Penti's sustainability goals and commitments.

Penti's sustainability plan, roadmap, policy and strategies are determined by the work of the "Better Life Team".



Our Management Teams

Team Talk

The rapid continuation of Penti’s sustainability performance in a way that meets the increasing global needs will only be possible through open communication with internal stakeholders.

Through “TeamTalk”, Penti aims to lay the groundwork for internal stakeholders to participate in all processes and decision-making mechanisms.

The work of “TeamTalk” makes it possible to realize the ideas and projects of all stakeholders, from management to production, from employees and suppliers to customers, in a healthier manner.

Gender Equality Team

Achieving the UN Sustainable Development Goals, both globally and locally, by 2030 is dependent on ensuring gender equality and the participation of the entire population in the collaborative effort, particularly in decision-making processes.

Penti’s “Gender Equality Team” works to empower women in business and in society by increasing their voice at all levels and ensuring their active participation in all processes.

Penti excels in this area thanks to its team training and support activities, active development project teams, and activities that provide access to stakeholders.

Penti has signed 29 projects as the “Gender Equality Team”. 23 of these projects have been completed and 6 of them are in the planning stage.

2021 Gender Equality Team Activities

No	Action	Type	Status
1	Guide to Combating Violence	Awareness study	Completed
2	KADES app	Communication	Completed
3	Freedom Board - March 8 International Women's Day event	Event	Completed
4	Gender-neutral job postings	Harmonizing business processes	Completed
5	Principle of positive discrimination in promotions and recruitment	Harmonizing business processes	Completed
6	Interview Communication training for headquarters and field workers	Training	Completed
7	Equal pay for equal work application	Harmonizing business processes	Completed
8	“Are we aware?” blog post	Awareness study	Completed
9	Equal opportunity application in education	Harmonizing business processes	Completed
10	Gender discrimination workshop on TV	Awareness study	Completed
11	“Dating Violence” blog post	Awareness study	Completed
12	Breast Cancer awareness seminar	Awareness study	Completed
13	11 November International Day of the Girl Child event	Communication	Completed
14	“We are wearing orange clothes”-activism movement	Event	Completed
15	Types and Scope of Violence	Awareness study	Completed
16	“Relationship or Violence?” safe relationship test	Awareness study	Completed
17	Close defense against violence webinar	Awareness study	Completed
18	Gender Equality training for employees and suppliers	Training	Ongoing
19	Interview Communication Question Guide	Awareness study	Completed
20	Crossing Out-gender discrimination in language	Ongoing project	Completed
21	Nursery collaboration for working parents	Harmonizing business processes	Ongoing
22	25 November Activism Movement Against Violence Against Women-UNWomen	Communication	Completed
23	Human rights training program for team members	Training	Ongoing
24	Penti violence procedure	Harmonizing business processes	Ongoing
25	Gender neutral job interviews	Awareness study	Ongoing
26	Penti Gender Equality microsite study	Ongoing project	Ongoing
27	10 December World Human Rights Day	Communication	Completed
28	Gender Equality bulletin/annual report	Communication	Completed
29	Gender Equality awareness survey	Needs analysis	Completed



Customer Happiness Team

Penti's main goal is to increase customer satisfaction and make its customers' lives more comfortable. However, having high-quality products is no longer sufficient alone to ensure customer satisfaction.

Customers today prefer brands that are environmentally friendly, do not harm the environment, and value social responsibility on a global scale. Brands, on the other hand, are the primary sources of information that allow their customers to be adequately informed about the effects of the products they use.

Penti's "Customer Happiness Team" not only determines its customers' demands and needs, but also shares information that will allow them to be more peaceful and secure.

We were the first Turkish brand to receive a special award from the international platform "REPREEVE® Champions of Sustainability" in the category "Leading Change" for the collection produced by listening customers' demands closely and the support of sustainable fashion with this collection.

Talent Management Team

Penti understands that its employees must engage in talent-development activities on a regular basis in order to keep up with changes in the main and sub-sectors, particularly technological developments, and to ensure their employment continuity.

Penti "Talent Management Team" activities enable all employees to catch up with the future with their work.

Penti, on the other hand, will be able to implement its sustainability strategies and meet its goals and commitments with a more capable team. That's why the work of the talent management team is critical.

Investments Team

Penti's and the global Sustainable Development Goals' success is dependent on making the right investments in every field.

Penti is moving forward with methods that will eliminate the risks identified with the "Investments Team" and allow its stakeholders across the demand value chain to benefit from new opportunities.

The team's efforts enable Penti to grow in a more sustainable manner in collaboration with all of its stakeholders.

Savings Team

We are living in a time when as humanity, we must make wise use of limited resources. Penti's "Savings Team" makes it possible to spread savings, protect resources, and meet the requirements of a green business approach and a circular economy, beginning with energy and water, in all processes.

The team facilitates the creation of projects throughout the entire demand value chain, including with internal stakeholders. The team's primary objective is to increase, mature, and implement the number of demand value chain projects.

PDPL Team

Sustainability is a sharing space. Individuals and institutions who share their intellectual creations in a manner that contributes to the development of all will accelerate progress.

Penti "PDPL Team" pays attention to the careful protection of personal data and ownership in this sharing environment, and strives to establish an ethical and fair ecosystem.

Our Risk Management

A global and local analysis of sectoral risks is essential for ensuring the sustainability of business processes. As Penti, we monitor and analyze the needs and limits of the planet, the mega trends affecting our industry, and the changes in economic and social areas on a regular basis, and we continue to develop in a sustainable manner by creating solutions that contribute to our shared consciousness.

Our sustainability and management teams' systematic efforts enable the analysis of risks and opportunities for all of our stakeholders.

Before and after production, as Penti we communicate our risk and opportunity analyses to all of our stakeholders, including our customers, using a variety of channels. We view risk and opportunity analysis not only as an area of interest for Penti, but also as a means for our stakeholders to live better and more equitably.

We regularly review and update our sustainability goals in line with these risk and opportunity analyzes.

Supply Chain Management

The most emphasized aspect of sustainability is supply chain management. It includes Strategy and Planning, Buying, Production, Inventory/Stock Management, Warehouse Management, Delivery and Distribution, and Order Management. For a more sustainable production, we only work with suppliers who adhere to fundamental human rights and environmental standards, and we frequently audit these conditions. The dependability of the supply chain and its global compatibility in economic, environmental, and social areas are crucial to the healthy formation of the total value that Penti offers to all of its stakeholders, in every way and in a healthy manner.

It is very difficult to design and manage a supply chain. This is also the sustainability element, whose importance is emphasized the most by international organizations around the world.

As a reputable global apparel brand and manufacturer of women's hosiery, we are committed to maintaining the highest environmental and ethical standards in our operations. Therefore, we expect our business partners to comply with all applicable laws, regulations, and rules and to accept and implement "Penti Code of Conduct."

We work with over a thousand suppliers, including our main suppliers and their sub-contractors, who produce to international standards through our supply chain network.

We determine our strategic and critical suppliers based on performance criteria such as quality, innovation power, research and development, product and service quality, capacity, risk level, compliance, and cooperation. We anticipate that our entire value

chain, as well as our 11 strategic and 23 critical suppliers, will contribute to and meet our sustainability objectives.

As a prerequisite for doing business with us, our suppliers must pledge to respect fundamental human rights, environmental standards, and working conditions. We expect our suppliers to adhere to the Buying Ethical Rules, which is outlined in corporate documents and procedures and is an integral component of the Penti Code of Conduct. We take the rules in Buying Procedure and approved supplier list while deciding the supplier we will work with.

Within the framework of Ethics and Compliance Principles, when managing Penti's supply chains, we demand that the supply chains adhere to the industry standards. In this context, we conduct audit programs. We conduct regular supplier audits and site visits.

Within the scope of the zero-tolerance rule in the Supplier Social Compliance Commitment, we determine the sustainability requirements that our suppliers must meet based on the following articles, with a focus on the fundamental control points:

Audit Integrity

Child Labor

Senior Management's Taking Precautions on Critical Issues

Modern Slavery

Sexual, Verbal, Physical, Emotional Violence and Harassment

Minimum Legal Environmental Requirements

Minimum Legal OHS Rules

Minimum Legal Working Conditions

Respect for the Right to Collective Labor Agreement

Discrimination and Equality

Supplier Audits



Penti Giyim Retail

As Penti Giyim Retail, we value our relationships with our suppliers. Our approved suppliers are evaluated monthly, and we communicate with them through the Supplier Collaboration Unit.

Each month, the minimum inspection pass rate is 85% for our suppliers. This performance is measured by the Supply Chain Management (SCM) system. Performances calculated in accordance with quality control and shipment are rated out of ten. With these scores, our suppliers are graded as Bronze-Silver-Gold every month.

Compared to the previous year, the number of our silver and gold suppliers increased by 128% in 2021. In the same year, fourteen of our suppliers were banned for failing to meet environmental and social criteria.

In our relationships with suppliers, we act responsibly and openly, prioritizing the local supply network and promoting local socioeconomic development.

In addition, as of 2021, we have begun regular supplier communication in an effort to raise their awareness.

The proportion of our local suppliers is over **90%**



Penti Çorap Factory

At Penti Çorap Factory, in order to create a system and method for evaluating the suppliers periodically in terms of quality, sustainability, social compliance and performance and accordingly prepare an approved suppliers list which are able to give service at desired quality standards, we audit our suppliers.

We also define the minimum conditions that a supplier must comply with in the fields of sustainability and social compliance as Critical Points (Zero Tolerance). These points are the conditions that a supplier must comply with in order to enter the supplier list of Penti Çorap Factory and to remain as a supplier.

Our supplier audits also include licensed waste disposal companies to which we deliver our waste. Since our wastes are destroyed and/or recycled within legal limits, the suitability of the working conditions of the employees of the companies is inspected with the audits we carry out to the relevant companies.

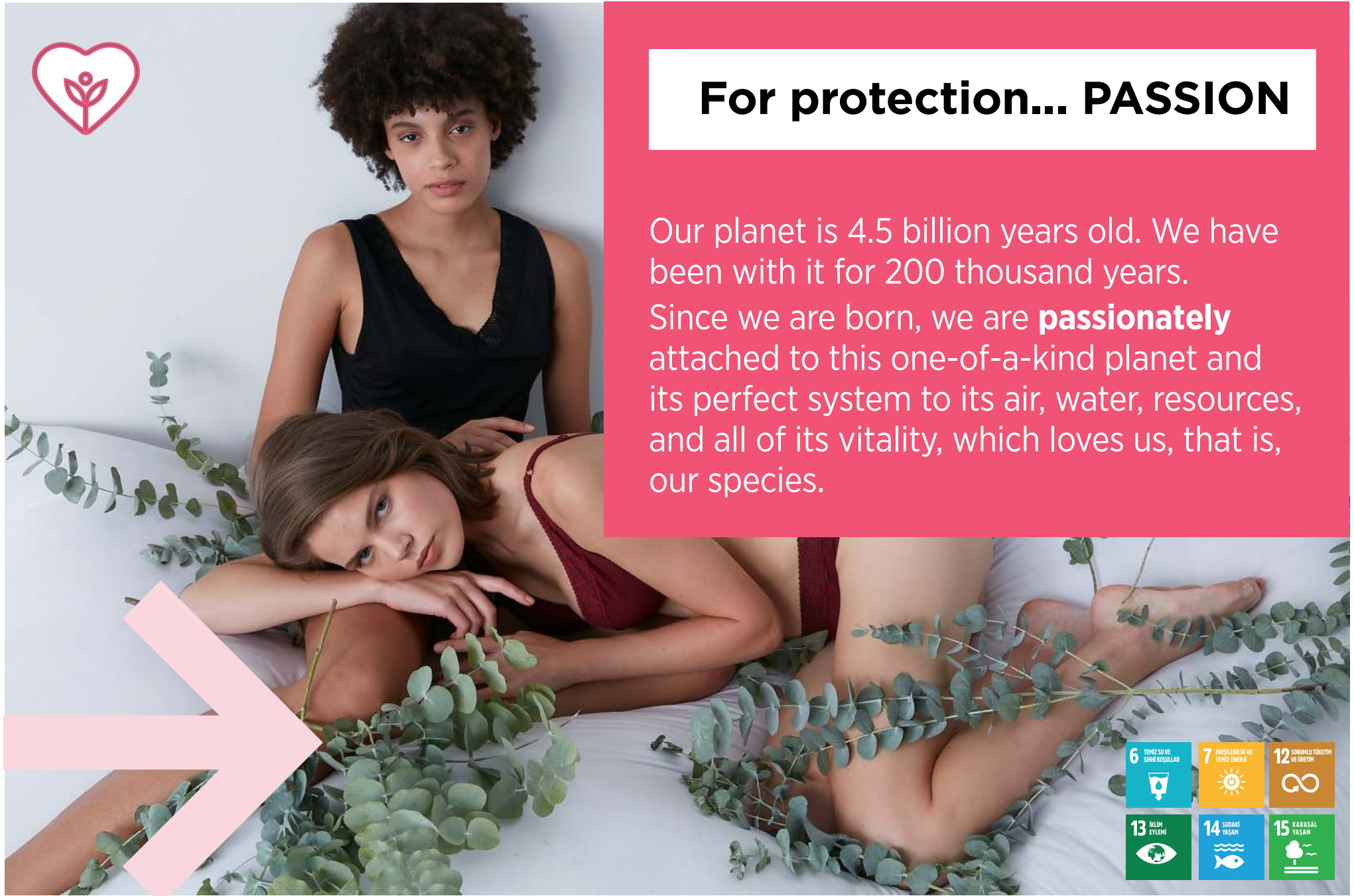
Companies that do not comply with zero tolerance issues can only be worked with after their critical nonconformities have been corrected.

18% of our yarn suppliers and 9% of our packaging material are of high importance. We follow Higg Fem memberships to monitor the environmental impact of our high-importance suppliers.

At Penti Çorap Factory, the number of suppliers with Higg Facility Environment Module (Higg FEM) membership in 2019 was 0. This figure increased to 6 when we established our sustainability committee. In 2021, 19 of our suppliers made Higg FEM membership. We continue to follow the Higg FEM memberships of our high-importance suppliers.

Penti Giyim Retail	2019	2020	2021
Total number of suppliers	637	579	621
Total number of local suppliers	576	536	568
Total number of new suppliers	324	205	245
Rate of payments to local suppliers in total supplier payments	87.9%	87.7%	91.7%

Penti Çorap Factory	2019	2020	2021
Total number of suppliers	757	686	665
Total number of local suppliers	693	627	610
Total number of new suppliers	-	159	166



For protection... **PASSION**

Our planet is 4.5 billion years old. We have been with it for 200 thousand years. Since we are born, we are **passionately** attached to this one-of-a-kind planet and its perfect system to its air, water, resources, and all of its vitality, which loves us, that is, our species.



As Penti, we carry out all our activities in harmony with the planet and all its elements.

- We reduce our emissions,
- Value our water,
- Protect our biodiversity,
- We care about recycling.

We passionately protect our inspiring planet.

We consume less energy and water every day thanks to our technological investments, and we produce with the goal of zeroing our emissions, and we share this protective production approach with our entire demand value chain.

We will continue to work on raising awareness for the importance of environmental protection among our employees, internal and external stakeholders, and customers through all of our communication channels.

We objectify our commitment to our planet and all of its diversity at the level of passion in a production approach that is compatible with the green business approach, all of the requirements and truths of the circular economy, and we are very happy about the fact that our stakeholders and customers across our entire demand value chain have responded positively to this understanding and passion.

Our Environmental Management Approach in Combating Climate Crisis

As Penti, the foundation of our environmental management strategy is to provide enduring benefits for humanity and the living planet. Our primary objective is to assess and administer this benefit from a global perspective, regardless of the scope outlined in our vision and mission.

Today, humanity and the planet face an unprecedented environmental threat. Through sustainability activities, we have the opportunity to mitigate effects such as the rapid depletion of natural resources, the increase in natural disasters, and the climate crisis. The pressure on the environment must be alleviated through strategic investments and technologically-driven initiatives.

As Penti, the foundation of our environmental management strategy is to provide enduring benefits for humanity and the living planet. Our primary objective is to assess and administer this benefit from a global perspective, regardless of the scope outlined in our vision and mission. The awareness of sustainable value creation inspires us to passionately protect the planet that sustains us.

While focusing on a more livable future and continuing to work with the vision of sustainability in mind, we aim to advance our standing among responsible brands with environmentally friendly production investments and collections.

The occurrence of natural disasters such as floods and fires as a result of extreme weather events caused by climate change demonstrated the need for a coordinated remedial actions to these issues.

We do not consider the climate crisis as merely an environmental issue; we are aware that we must approach this issue with an

environmental and economic outlook. As one of the industry leaders in eco-friendly and sustainable development, we reduce our environmental footprint as part of our commitment to sustainability. Simultaneously, we concentrate on investment activities necessitated by circular economy business models and technological advancements that have become pervasive in all fields in pursuit of a sustainable future.

Recent environmental management understanding in the fight against the climate crisis has focused on natural capital and circular economy. Examining the environmental footprint of the sector reveals that the raw material supply and production phases have the greatest impact. In the context of environmental risk, our priority areas of action are sustainable raw materials and packaging materials, water and energy conservation, the use of chemical products, and waste management.

Penti continues to be inspired by nature in its work. It manages environmental impact reduction studies and develops related projects and activities. In addition to these studies, it complies with all applicable national and international laws, regulations, and other rules. Moreover, it acts with the intention of communicating all of these processes to all of its stakeholders in the field of impact and interaction.



In 2021, we invested
12 million TL
for the environment.

Energy Efficiency and Emission Reduction

As Penti, we collaborate on numerous data-driven projects for energy efficiency and emission reduction.

When making our children pyjamas collection with all-natural dyes, we were able to reduce water usage by

88%

and our energy consumption by

55%

(plant-based Ficus Innovation)

▶ We achieved 45% energy saving, 30% fewer greenhouse gas emissions, and 20% water saving in the production of the I'M IN collection, which was made from recycled materials. We brought 1 million PET bottles and 5 tons of industrial nylon waste into the circular economy by recycling them.

▶ With the use of Ecovero & Tencel fibers, we have achieved 50% less carbon dioxide emissions and 50% water savings.

▶ We have reduced the amount of sanitary pad waste with the period slip product suitable for use during menstrual periods.

▶ Our local garment suppliers were accounted for 70% of 2019, and this ratio reached 90% in 2021. In this manner, we reduced the raw material and garment transportation route and time, as well as our carbon footprint and energy consumption.

▶ As a result of implementing RPA (robotic process automation) technology to automate processes, particularly in the HR and Accounting departments, we reduced electricity consumption and our carbon footprint, and increased labor productivity.

▶ With our digital measurement application, we reduced product returns due to improper fit by ensuring that online shoppers purchase the most appropriate size.

▶ With the My Size One Size collection, which features adaptive product technology that adapts to all sizes, we were able to reduce the rate of product returns due to fit and size. As a result, we saved energy and reduced our carbon footprint.

We shifted to the use of LED spotlights in our stores. With this transformation in our

82 stores, we achieved an annual energy efficiency of **68%**

193 nations, including Turkey, have signed the UN Sustainable Development Goals agreement. One of the Sustainable Development Goals marking the year 2030 is Climate Action, which is goal number 13. Within the scope of Climate Action, it is stipulated that urgent action must be taken by 2030 to mitigate the adverse effects of climate change. In addition, the sub-items of the relevant goal include increasing resilience against natural disasters, strengthening adaptation capacity, integrating emergency measures against climate change into national policies, strategies, and planning, and raising awareness. Sustainable finance also plays an important role in supporting

Climate Action, the 13th goal of the Sustainable Development Goals. Penti has developed new strategies and road maps to reduce its impact on the climate crisis, increase its resilience, and safeguard its resources, and has initiated green transformation processes. In this regard, a number of sectoral and cross-sectoral objectives have been established.

The 2019 publication of the European Green Deal (EGD) is one of the most significant developments influencing the roadmap determined by Turkey in terms of climate goals. With the strategies determined and/or to be determined by this agreement, the goal is for Europe to become the first carbon-neutral continent

in the world. In the context of the EGD, strategies are being developed for the establishment of an Emission Trading System for greenhouse gases in our country until 2024, so as to be as unaffected as possible by the Carbon Border Adjustment Mechanism (CBAM) that will be implemented by the EU in import transactions with third countries, and ongoing research is being conducted. The objective of establishing the Emissions Trading System is to reduce CBAM's impact.

Globally, the energy sector has undergone significant transformation and change, particularly as a result of the European Green Deal, the Emissions Trading System, the

Carbon Border Adjustment Mechanism, and the climate crisis. This transformation and change had a global impact on the industry, including Penti, and altered the industry's dynamics. This interaction has helped highlight the significance of the connection between sustainable development and production processes. In addition, it highlighted the realization of the sector's potential as the driving force in achieving the Sustainable Development Goals and demonstrated the sector's urgent need for self-actualization. The Emissions Trading System, which is based on the principle that greenhouse gas emissions, whose upper limit is determined on a national scale, are distributed in the form of allocations by placing a quota on the basis of the facility and that they are traded in the market, is intended to promote emission reduction while also providing significant value in the international market and accelerating the green transformation of the private sector.

In the textile sector, which is the first sector to announce its action plan on the path to green transformation in Turkey, water pollution, waste separation at the source, the adoption of circular economy business models, and the use of chemicals are prominent. In addition to these efforts, the European Union has presented the Fit for 55 package, which is a set of actions and a road map for reducing its emissions by 55 percent within the context of its climate change objectives.

Penti continues its diverse projects, with a focus on resilience and climate adaptation, development, and capacity building, as part of its policies to make the textile industry more sustainable. In this context, many projects that will increase efficiency are carried out together:

In the Assorted Pack Replenishment (Solvoyo) Project, Penti is able to replenish the stores at the right time with the right assortment (product range). With the Transfer Management (Solvoyo) and Channel Based Stock Management Projects, it is ensured that stocks are delivered to the right channel, at the right time and in the right amount.

The Markdown Optimization Project ensures standardization in the discount and campaign process applied to different channels, and increases the efficiency of store operations by applying

discounts and campaigns to the appropriate channel at the appropriate time. These projects have reduced unnecessary paper consumption due to the wrong campaign or price, optimized shipment output and fuel consumption, and achieved gains that protect the ecosystem and reduce carbon emissions.

With **the Manhattan Project**, smart algorithms will be used to optimize demand (Ecom, Marketplace, Mobile App) and replenishment and supply (warehouse and store) in stores, and order will be transferred to the right channel at the right time and the right customer will be delivered optimally. With effective order management, the fuel used in logistics and cargo processes will be optimized, resulting in lower carbon emissions. With proper order management, cancellation and return processes can be reduced, and accordingly, we will be able to reduce the consumption of paper, energy, and resources. Furthermore, this project benefits store employees in terms of developing their skills and training in socioeconomic terms.

With the digital measurement application, we have reduced returns due to improper fit by ensuring that online shoppers purchase the most appropriate size. As a result, the number of products involved in the return process has been reduced, lowering the carbon footprint.

Similarly, products made of a special flexible fabric in the **MY SIZE ONE SIZE** collection can adapt to all sizes with its standard size. The goal of this product is for close friends to wear the same products, even if they are different sizes, and for the person to wear the same product for many years, even if their body changes over time. Similarly, the number of returned products due to size mismatch has been reduced.





In-house Energy Consumption - Penti Giyim Retail

Energy Consumption by Fuel Type

★ 2020
Electricity
247,050 (MWh)

Fuel-Oil
189,005 (Lt)

★ 2021
Electricity
205,510 (MWh)

Fuel-Oil
218,840 (Lt)

In-house Energy Consumption - Penti Çorap Factory

Energy Consumption by Fuel Type

★ 2020
Natural Gas
17,716 (MWh)

Electricity
18,552 (MWh)

Diesel
96,320 (Lt)

★ 2021
Natural Gas
17,990 (MWh)

Electricity
21,685 (MWh)

Diesel
106,774 (Lt)

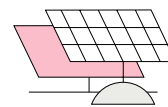
Energy Consumption from Renewable Energy Sources - Penti Çorap Factory

Energy Consumption by Fuel Type

★ 2020
8.9 (MWh)

★ 2021
11.7 (MWh)

The energy provided from renewable energy sources is solar energy.



Energy Density - Penti Çorap Factory

Total Energy Consumption

★ 2020
36,268 (MWh)

★ 2021
39,675 (MWh)

Energy intensity (total energy/total turnover)

★ 2020
0.0084 (MWh)

★ 2021
0.0098 (MWh)

In addition, Penti Çorap Factory regularly measures its carbon footprint in order to determine the impact of CBAM and ETS, and follows its goals for reducing carbon footprint through sustainability committees. In this direction, saving on the amount of energy used at Penti Çorap Factory, the reduction of losses, the trend of renewable energy sources (solar energy), waste energy re-use of gases and particles emitted into the atmosphere and released as the result of fuel use (emission) goals have been among the goals of the Energy & Air Emission Committee in 2021. The objectives of the relevant committee are directly proportional to the objectives of the Environmental Management System Committee, which is to determine the environmental impact of the product or product's life cycle from production to disposal (cradle to cradle) and to reduce natural resource consumption.

Our country ranks 12th in the world and 5th in Europe in terms of renewable energy installed power, thanks to the steps taken to reduce greenhouse gas emissions. Penti Çorap Factory uses the sun, which is a renewable energy source, in accordance with our country's goal of becoming a "renewable energy center."

Reducing, reusing, and recycling are the keys to decarbonizing production. As Penti Çorap Factory, it is our goal to decarbonize energy by reducing the use of natural resources supported by behavioral cultural transformation, preventing loss and leakage, reusing raw materials and energy, separating waste at source, increasing "upcycle" processes and adopting circular economy business models.

Carbon Footprint Result - ton CO₂e	2021
Category 1: Direct greenhouse gas emissions	4,569.34 -ton CO ₂ e
Category 2: Energy indirect greenhouse gas emissions	9,366.85 -ton CO ₂ e
Category 3: Transport indirect greenhouse gas emissions	1,362.54 -ton CO ₂ e
Category 4: Raw material indirect greenhouse gas emissions	20,171.28 -ton CO ₂ e
Category 5: Indirect greenhouse gas emissions at the end-of-use and end-of-life of products	1,043.71 -ton CO ₂ e
Category 6: Other indirect greenhouse gas emissions	2,929.33 -ton CO ₂ e
Total Emission:	39,443.06 -ton CO₂e
Carbon Footprint Density – turnover:	0.00013 -tons CO₂e/turnover

The Penti Çorap Factory saved a total of 1,072 MWh of energy through the reduction in electricity consumption of the air handling unit aspirator motor, investments in efficient chillers, and reductions in air consumption in free air. Penti Çorap Factory intends to reduce its carbon footprint through efficiency studies, and it intends to maximize its day-to-day monitoring performance by including its emissions with in the scope of 3 greenhouse gas emissions.

In addition to all these regulations, Penti also fulfills the environmental legislation requirements. Air emission measurements are taken every two years in this context, as is required by law. These measurements take into account parameters such as NOx, SOx, VOC, and PM. As a result, there are no parameters in this context that exceed the regulatory limit values.

Our primary efforts for our country and the world will always be environmentally friendly and sustainable projects carried out with passion.

Protection of Water Resources

It is the time to devise strategies and measures that take into account the uneven distribution of water resources around the world in order to turn the negative impact of the climate crisis into a positive one.



600% water saving

▶ We have saved **600%** of water by using digital printing in our beachwear products.

50% water saving

▶ We achieved **50%** water saving with the use of Ecovero & Tencel fibers. (The cellulosic Ecovero viscose uses 210 liters less water compared to a white T-shirt made of conventional cotton. It consumes 12.5 liters less water than generic viscose.)

88% water saving

▶ With the children pyjama collection we produced using natural dyes, we saved **88%** of the water and **55%** of the energy (plant-based ficus innovation).

45% energy saving

▶ We achieved **45%** energy savings, 30% fewer greenhouse gas emissions, and 20% water savings in the production of the I'M IN collection, which was made from recycled materials. We brought 1 million PET bottles and 5 tons of industrial nylon waste into the circular economy by recycling them.

Water resources, the starting point for everything, are at the intersection of the social, governance, and environmental components of sustainability. Many of the 17 Sustainable Development Goals are also affected by water resources. More effective policy tools, strategies, and incentive systems should be developed in the coming period to protect water resources, and more effective mechanisms should be established in this struggle. Although water is essential for survival, the amount of water on Earth is very limited, and access to water is closely related to both technological capabilities and natural conditions. The amount of water resources that people can use for domestic, agricultural, and industrial purposes corresponds to only 2.5% of the earth's water potential.

While water is required for the continuation of production and the economy, the demand for water resources is increasing. On a local and international scale, significant water problems arise as a result of population growth, industrialization, urbanization, and changes in consumption habits. The perceived effects of the climate crisis put additional strain on water resources on a daily basis. The invisible effects of the climate crisis are waiting to be discovered as a serious threat in the invisible part of the iceberg. It is the time to devise strategies and measures that take into account the uneven distribution of water resources around the world in order to turn the negative impact of the climate crisis into a positive one. Only in this way can it be ensured that water will not be a barrier to humanity's future physical, environmental, and socioeconomic development.

In our country, efforts have been accelerated to increase water efficiency and reduce water losses through activities such as ensuring the continuity of clean and safe drinking water service for the entire rural and urban population, fighting water loss and leakage with deterrent penalties and incentive mechanisms, and modernizing irrigation infrastructure in agriculture. Water supply studies are also managed as part of international capacity building and cooperation.



WATER USE



WASTEWATER (m³)

<p>Penti Giyim Retail</p>	<p>Penti Çorap Factory</p>	<p>Penti Çorap Factory</p>			
<p>★ 2020 784 (m³)</p> <p>★ 2021 605 (m³)</p>	<table border="0"> <tr> <td data-bbox="521 686 952 1181"> <p>Groundwater (Well water)</p> <p>★ 2019 296,505 (m³)</p> <p>★ 2020 178,100 (m³)</p> <p>★ 2021 235,693 (m³)</p> </td> <td data-bbox="952 686 1247 1181"> <p>Rain water</p> <p>★ 2019 59 (m³)</p> <p>★ 2020 497 (m³)</p> <p>★ 2021 731 (m³)</p> </td> <td data-bbox="1247 686 1780 1181"> <p>Water usage density (total use/total equivalent production)</p> <p>★ 2019 64.83 (Lt/dozen)</p> <p>★ 2020 52.16 (Lt/dozen)</p> <p>★ 2021 44.46 (Lt/dozen)</p> </td> </tr> </table>	<p>Groundwater (Well water)</p> <p>★ 2019 296,505 (m³)</p> <p>★ 2020 178,100 (m³)</p> <p>★ 2021 235,693 (m³)</p>	<p>Rain water</p> <p>★ 2019 59 (m³)</p> <p>★ 2020 497 (m³)</p> <p>★ 2021 731 (m³)</p>	<p>Water usage density (total use/total equivalent production)</p> <p>★ 2019 64.83 (Lt/dozen)</p> <p>★ 2020 52.16 (Lt/dozen)</p> <p>★ 2021 44.46 (Lt/dozen)</p>	<p>★ 2019 252,029</p> <p>★ 2021 152,800</p> <p>★ 2021 220,733</p>
<p>Groundwater (Well water)</p> <p>★ 2019 296,505 (m³)</p> <p>★ 2020 178,100 (m³)</p> <p>★ 2021 235,693 (m³)</p>	<p>Rain water</p> <p>★ 2019 59 (m³)</p> <p>★ 2020 497 (m³)</p> <p>★ 2021 731 (m³)</p>	<p>Water usage density (total use/total equivalent production)</p> <p>★ 2019 64.83 (Lt/dozen)</p> <p>★ 2020 52.16 (Lt/dozen)</p> <p>★ 2021 44.46 (Lt/dozen)</p>			

Since it operates in the textile industry, which has one of the highest water consumption rates, Penti is conscious of its impact on water resources and aims to reduce the impact of water consumption in production through a strategic approach and investments in this area. Although there is no immediate impact on water scarcity, we strive to protect water resources by keeping in mind the potential medium and long-term effects. In addition to these efforts, we intend to reduce the indirect effects on water resources by focusing on air pollution prevention, energy conservation, and waste reduction.

Biodiversity

We support coral cultivation activities to revive and preserve biodiversity in Marmara Sea. Penti has undertaken the mission of protector of corals.



► We have benefited from a business model that combats deforestation by sourcing cellulosic fibers (Naia, Tencel, Ecovero) from sustainable industrial forests without compromising the forest's continuity or biodiversity.

33% fewer chemicals

► Penti's Ecovero viscose uses 33% fewer chemicals in all production processes than conventional viscose. Consequently, we contributed to the conservation of water and biodiversity.

50% less natural resources

► Tencel fibers utilized 50% less natural resources than Lyocell fibers. (Tencel fibers are fully biodegradable in both marine and freshwater environments. By not producing microplastics, these fibers prevent water pollution and are fully compostable.)

► The cellulosic fiber Naia we use is biodegradable.

► We require all of our suppliers of raw materials to provide an Oekotex certificate demonstrating that no harmful or prohibited chemicals are used; we do not work with suppliers who cannot provide this document.



► In order to protect biodiversity, we have conducted joint projects in recent years with the Marine Life Conservation Association, which conducts coral planting activities in Marmara Sea and of which we are sponsors. With our most recent initiative, we support coral cultivation activities to restore and preserve Marmara Sea biodiversity. **Penti has undertaken the mission of protector of corals.**

As Penti, we take all necessary measures to protect the existing flora and fauna, and we manage the potential impacts of all our activities in accordance with the requirements for preserving biodiversity.

Penti has no operations or activities in habitats included on the IUCN Red List or in areas of high biodiversity.

Circular Economy and Resource Sustainability



95% sustainable materials

► By 2030, we aim to procure 95% of our cotton and polyester products from sustainable materials.

95% sustainable cotton and recycled polyester by 2030

► We aim to increase the use of sustainable cotton and recycled polyester to 45% by 2025, to 60% by 2027 and to 95% by 2030.

100% recycled and reusable materials

► We aim to eliminate single-use plastic in our packaging and hangers by using 100% recycled and reusable materials.

In our country, a National Circular Action Plan is being developed in an effort to reduce consumption, increase the value of what is produced, and achieve a more sustainable product cycle. In addition, implementation studies are conducted for the Long-Term Climate Change Strategy and Action Plan, the Climate Change Platform, and the Green Reconciliation Action Plan, which comprises nine main titles, 32 objectives, and 81 actions. With the EU Circular Economy Action Plan, which entered into force in 2020 within the scope of the Green Deal, actions in line with the 12th SDG were put into effect. Application of eco-design criteria to textiles, access to repair and reuse opportunities, highly segregated collection of textile wastes, and expanded producer responsibility are among the most pressing issues facing the sector.

Due to Europe's carbon neutral goal, plastics and packaging, which directly harm the environment if not used correctly, are strictly regulated despite their apparent convenience. In 2019, plastic bags began to be sold for a fee in Turkey. The use of plastic bags has decreased by 75% as a result. In addition, packaging waste taxation has been made under the GEKAP Regulation- (recycling contribution fee). In accordance with this requirement, plastic packaging wastes are also taxed. This tax imposes a 0.80 euro per kilogram tax on non-recycled plastic packaging beginning January 1, 2021. Another issue covered by the GEKAP Regulation is the deposit refund system. The deposit return system aims to increase recycling in our country.


The concept of sharing economy, which is based on the sharing of services and products that individuals do not use with other people without expecting anything in return, emerges within the scope of the circular economy.

Penti, as part of its commitment to the planet, seeks new environmentally friendly solutions. Our goal is to present collections that are responsibly designed and produced.

We take care to ensure that our goals are inclusive practices that meet the needs and expectations of our stakeholders. In this context, both consumers and producers must act consciously to shift from a disposable economy to circular economy business models.

The following are the projects that comprise our efficiency goal and contribute to the circular economy action plan and waste reduction goals: With the I'M IN collection, we are reducing plastic, paper/ cardboard in product packaging, not destroying products with minor quality defects that do not affect use, keeping products in a cyclical economy by selling them at lower prices in "outlet" stores, and not destroying products that cannot be reused or recycled. To reduce the amount of sanitary pad waste destroyed in nature in 500 years thanks to period slip suitable for use during menstrual periods, to include parcels used in transfers from the supplier to the warehouse and from the warehouse to the store in the reuse and recycling mechanism process, to use Ecovero viscose instead of conventional polyester that dissolves in nature in 3 months.

Amount of Non-Hazardous Waste (Ton)

 **Penti Giyim Retail**

 **Total Non-Hazardous Waste**


150 (tonnes)

Recycled

20 (tonnes)

Recovered for energy purposes

50 (tonnes)

 **Penti Çorap Factory**

	2020	2021
Total Hazardous Waste (Ton)	21.7	29.7
Going to landfill/solid waste site	0	0.1
Recovered for energy purposes	0	5.9
Reused	0	16.7
Electronic Waste	60	0.111
Amount of Non-Hazardous Waste – PÇ (Ton) 2020	2020	2021
Recycled	798.6	917.5
Recovered for energy purposes	0	1.7
Reused	0	6.7

Furthermore, approximately 17,000 kg of waste was reduced at the Penti Çorap Factory through bobbin end resets, Dohas Association pallet support, and Dohas Association food support. Switching to e-payroll instead of paper payroll and the use of recyclable bags also prevented the generation of 633,300 wastes. In addition to all these activities, a reduction of 15,515 kg of CO₂ was achieved by converting waste vegetable oils into renewable biodiesel.

Our Sustainable Products

As Penti, we are committed to creating a more sustainable world and investing in sustainable products for a brighter future.

Sustainability in the textile industry is achieved by using local resources in the product design, manufacturing, and distribution processes, preferring transparent production systems with less intermediary between the manufacturer and the consumer, and producing sustainable products with a longer lifespan.

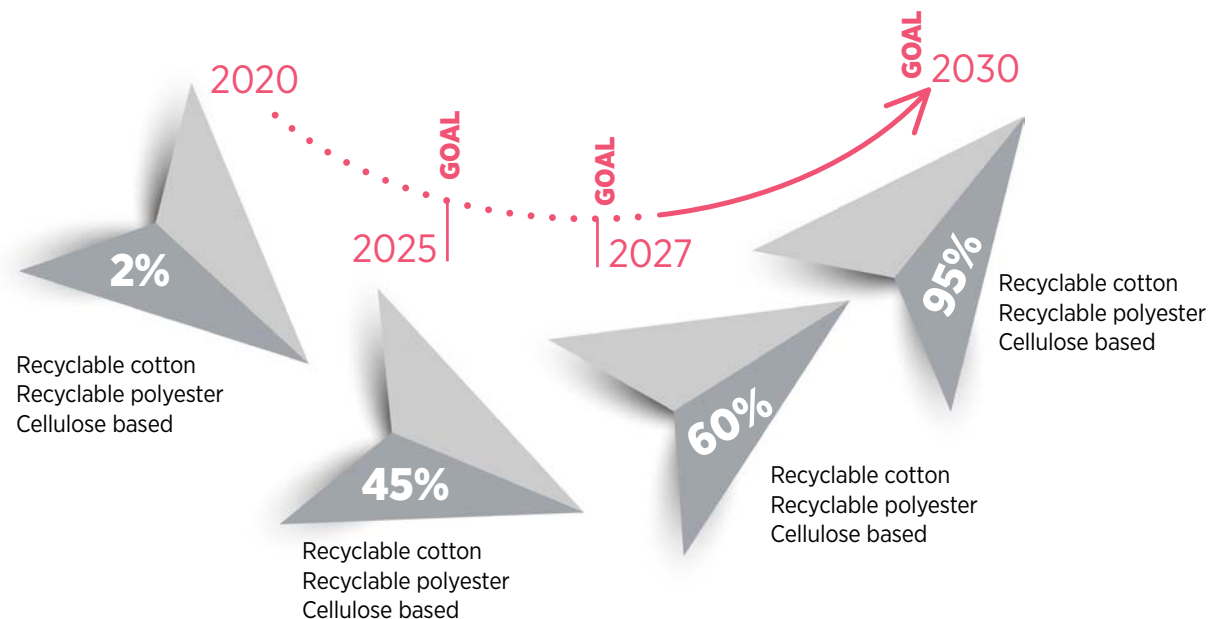
Today, an increasing number of consumers are taking responsibility for changing their personal consumption habits with the hope of solving environmental problems, demonstrating an orientation in which product selection, use, and disposal decisions are motivated by the desire to protect the environment. With increased environmental awareness, consumers are attempting to reduce their carbon footprints, and as a result, the use of sustainable products is becoming more common.

We are committed to creating a more sustainable world and investing in sustainable products for a brighter future. As a company that adds meaning to its business, we will continue to produce, develop, and grow in the coming years, while maintaining our product sustainability investments.








We aim to use sustainable cotton, polyester and cellulose-based materials at a rate of 45% in 2025, 60% in 2027 and 95% by 2030. We developed short, medium, and long-term sustainability plans, as well as a roadmap for the period from 2020 to 2030; we also track goals.

We monitor product group performance ratios in accordance with our agile organizational structure, diverse and inclusive corporate culture, long-term achievements, and strategic goals. The performance tracking mechanism, which we developed using data-driven strategies and measurement solutions, graphically displays

the overall average as well as category-based targeted and actual values. This allows us to monitor performance, better understand product life cycle journeys, and measure impacts. You can examine the performance monitoring and tracking rates in the table below:



Tracking rates in the table below

	Cellulose Based		Cotton		Polyester		Total
	Conventional	Sustainable	Conventional	Sustainable	Conventional	Sustainable	
 ACCESSORIES	—	—	—	—	—	2 Pcs 100%	2 Pcs 100%
 SOCKS	8 Pcs 100%	—	401 Pcs 100%	—	13 Pcs 100%	—	13 Pcs 100%
 OUTWEAR	7 Pcs 63.6%	4 Pcs 36.4 %	43 Pcs 82.7%	9 Pcs 17.3%	95 Pcs 96.9 %	3 Pcs 3.1	161 Pcs 100%
 HOMEWEAR	106 Pcs 91.4 %	10 Pcs 8.6%	332 Pcs 82.8%	69 Pcs %17.2	202 Pcs 97.6%	5 Pcs 2.44%	724 Pcs 100%
 UNDERWEAR	22 Pcs 66.7 %	11 Pcs 33.3%	334 Pcs 92%	29 Pcs %8	69 Pcs 98.6%	1 Pcs 1.4%	466 Pcs 100%
 BEACHWEAR	72 Pcs 100%	—	33 Pcs 75%	11 Pcs 25%	285 Pcs 96.9%	9 Pcs 3.1%	410 Pcs 100%
 Grand Total	215 Pcs 89.6%	25 Pcs 10.4%	1143 Pcs 90.6%	118 Pcs 9.4%	664 Pcs 97.1%	20 Pcs 2.9%	

We exceeded our goal of 2% in the use of sustainable materials in our 2021 collections by reaching the level of 9.4% in sustainable cotton and 2.9% in sustainable polyester.



For equality... RESPECT

Our population increased from 4 million to 7.8 billion in 12 thousand years.

By 2050, we will be 10 billion individuals. We will continue to believe, as we did when we were 4 million, that each individual can add value to our common existence, and we will continue to **respect** each individual.



As Penti, we provide an equitable and inclusive business environment with all our stakeholders.

- We care about human rights,
- Act with an egalitarian and inclusive attitude,
- Care about human health,
- Create opportunity for talents.

We respect the health and future of our entire value chain.

As Penti, the protection of fundamental human rights and the establishment of an egalitarian working environment that recognizes and embraces diversity are prerequisites for our achievement of global objectives in nearly every field.

Our fundamental business principle is to enable our employees to adapt to the ever-changing global environment and to ensure their continued employment by equipping them to meet the ever-evolving and changing talent demands in all professions.

To build a more livable future, it is necessary to pave the way for production with people who are respected for their differences, who actively contribute to common goals, and who work in an environment where their rights are protected, their abilities are updated and developed, and their physical and mental health is protected.





Our Working Life

Our working culture is determined by our collaborative working philosophy, and the respect we have for people serves as the foundation for all of our work.

Kyosei symbolizes living and working together for a common goal. While adapting this philosophy to ourselves, we define Kyosei as the most important aspect of social sustainability performance: Keeping the expectations and satisfaction of customers, employees, and shareholders in balance.

We maintain a respect-oriented rhythm for a better life and a better world by drawing strength from our entire value chain. Accordingly, we work with a sense of responsibility to provide a more equitable world for our employees, suppliers, and all stakeholders. Penti employees work in an egalitarian and inclusive working environment based on the strength of respect.

Our respect for people is the primary consideration in all of our works. Our top priority in all of our procedures and in everything we do is upholding human rights. We also care about creating opportunities for talents in the workplace, and we help them by providing them with projects, trainings, and other activities.

Our entire value chain is dedicated to achieving goals that benefit both the world and Penti. As a result, we conduct evaluations every year by conducting employee experience surveys with GPTW. We have been on this journey with GPTW to become the best workplace for the past four years as the Penti family. We received the GPTW certificate and were named the "Best

Employer" in GPTW Turkey for two years consecutively during this journey. At GPTW Europe, we were also among the best. In addition to all of these national and international achievements, we were the first Turkish manufacturing, textile, and retail company to be named to the Europe's Best Employers list.

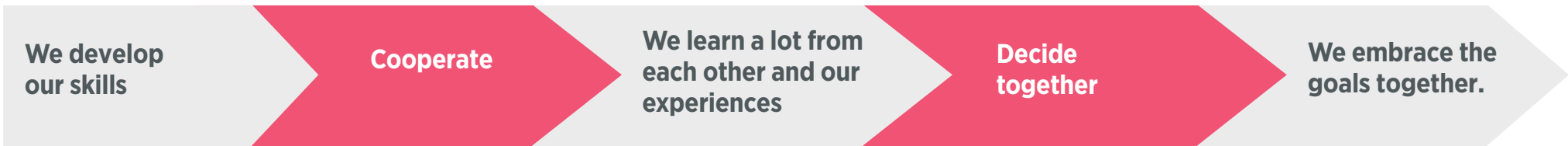
We have created areas for employees to freely express their views on working conditions because we value common sense.

All of these goals and actions have resulted in the creation of a Penti-specific life and work culture.



Penti advances with the contribution and knowledge of the common mind. Accordingly, it cares about diversity, is in favor of equality and is inclusive.

As Penti members, in order to realize their policy priorities;



Wherever we hear the PENTI Rhythm, we recognize it, because a Penti employee;

- ▶ Knows that everyone has different talents and dances in harmony with these different talents!
- ▶ Gets its strength from working together!
- ▶ Identifies areas that are open to improvement in their work, and take steps towards these needs with courage!
- ▶ Is aware of the importance of different perspectives, enriching their work and highlighting their competence!
- ▶ Aims to grow more, affects more people!
- ▶ Puts on cufflinks, explains strategy; rolls up their sleeves and runs the operation!
- ▶ Shares its competencies with each other and turns it into the most meaningful business results together!
- ▶ Believes in gender equality!
- ▶ Respects everyone's diversity, regardless of language, religion, race or ethnicity!

We place a high value on talent programs so that young and bright minds, which are essential to this path, can discover their music at Penti and keep up with the rhythm of this fast-paced world.

We bring the Penti brand together with brand new spirits and write our name on the first steps of lifelong learning with four different talent development programs, Retail Challenge, Young Maestro, Genç Ritim (Young Rhythm), and Yankı (Reflection).

Yeteneğinin Ritmine Penti'de Kulak Ver!

We support permanent development and learning in Penti's Ritmik world.

YOUNG
MAESTRO

Genç Ritim
Kendi Ritmini Yarat

YANKI

Penti
RETAIL
CHALLENGE



We dance together to the music that blends the rhythm of talent with the rhythm of Penti!
The world is changing; you are, too!
Everything you hear, see, feel changes.

A new page opens before us; you are moving to a new page.
 Every page is a new step, a new melody, a new tone.
 Are you ready to be a part of this great orchestra with your courage, excitement and enthusiasm for your work?

The music we heard until today was the harbinger of today.
 Now we set out to discover new ways,

Our music accompanies our journey. Yesterday's excitement is today's enthusiasm, the only difference is

Now it's time to move on for tomorrow!

At Penti, we get strength from our different sounds; we keep up with every rhythm together.

We always protect our values that make us who we are in magnificent acoustics.
 There is a power in our souls that cannot be expressed in words and cannot remain silent.
 It is with this spirit that we fascinate the audience.

Our music tells us, to everyone!
Come on then!

Are you ready to strengthen our power with a game-changing rhythm?

We know that if the rhythm changes, the dance changes, too.

Neither one of us is less nor one of us is more.

We are moving now with all our enthusiasm!

#pentininritmi



Diversity and Inclusion

Penti does not tolerate employee discrimination based on language, race, color, gender, sexual orientation, political opinion, belief, religion, sect, age, physical disability, or other factors.

Institutions must understand inclusion and diversity and ensure equality in all areas if they are to be successful in today's rapidly changing world.

When analyzing the European Union's (EU) anti-discrimination regime, factors such as race, color, ethnicity, religion, belief, language, gender, sexual orientation, genetic characteristics, disability, age, minority, property, birth, political stance, and origin are considered. Evidently, discrimination based on various factors is prohibited. The EU has adopted a broad anti-discrimination principle.

In addition, the EU has conducted active research and enacted regulations regarding the establishment of an egalitarian regime over time. Concurrently, it has implemented practices that reflect the transformation of EU candidate nations on these issues. By demonstrating sensitivity on this issue, the EU has also shown concern for LGBTI+ rights and identified the fight against these problems as one of the areas in which it seeks progress.

Among the priorities of human resources policy are the creation of egalitarian and inclusive working environments, the prioritization of human health, the execution of activities to pave the way for talent, the conduct of business processes in a democratic environment, the provision of equal opportunity, and the advancement of fair and ethical actions under all circumstances. Every employee at Penti is protected by company policies that prohibit all forms of discrimination. In every activity, it employs an egalitarian and inclusive business strategy.

Inequalities and the effects of the climate crisis, which are referred to as the greatest crises facing humanity, can only be mitigated through human-centered leadership and thought, reliance on human rights, and collaboration among all stakeholders. The inequalities article of the global goals addresses humankind's social problems and calls for immediate action to find a solution.

In accordance with its human resources strategy and the principle of equal opportunity, Penti prohibits discrimination based on race, language, gender, or age. It gives local employment priority. In addition, Penti does not tolerate employee discrimination based on language, race, color, gender, sexual orientation, political opinion, belief, religion, sect, age, physical disability, or other factors.



We began projects to ensure gender equality in various areas of life. Here are the projects that we have begun to implement.

► Interview Communication

Training has been prepared for all of our managers who meet Penti candidates by conducting job interviews at the factory, store, and head office. We emphasized how we conduct interviews in training and how we can more accurately evaluate our candidates by asking the right questions. With sample applications, we were able to observe and evaluate the effects of incorrect questions and statements.

► We provided **Interview Communication Training** to 280 Penti managers, and the training received a 3.66 out of 5 rating. This training has been designed to be a continuing education for all Penti managers.

► We have created a **Guide to Interview Questions to Ask and Not to Ask**. The goal of this guide was to facilitate language change during the interview processes of our Penti managers who were interviewed.

► With the **"We're crossing it out!"** campaign, we have crossed out the expressions and patterns that have settled in our language and aimed to remove these expressions from our language.

Interview
Communication
Training to
280
Penti managers



► We started to work on the **Dictionary of Gender Equality in Language**. With this dictionary, we aimed to make it easier for the words, expressions, and phrases that we have crossed out on the digital platform to be readily accessible so that we can refer back to them and use them to guide our internal and external communication.

► We have published 3 blog posts about raising gender awareness, written by Penti employees, on the online platform of Atölye. Our first article is titled as **"Are We Aware?"**, our second article, Flirting Violence, and our final article is focusing on mothers. You can find the articles in the blog section of Atölye's online platform. So far, nearly 500 Penti employees have read our blog posts!

► We chatted with 30 Penti employees who attended **"Comfy Thursday"** to talk about how the TV series, movies and advertisements reflect gender equality stereotypes and judgments. During our conversation, we watched the shots that had settled in our subconscious due to unintentional exposure.

► Together with **UN Women**, we participated in the 16-day activism movement that started with the International Day for the Elimination of Violence Against Women on 25 November. Together with UN Women, we said **#KayıtsızKalmayın** (#dontbeindifferent) and underlined Penti's stance on this issue.

► In this year's activism movement, we made our voices known to each other, saying that I am not indifferent either. We supported each other through social media.

► This year, in response to the United Nations Secretary General's call to **"Paint the World Orange,"** we have demonstrated that we are not indifferent by wearing orange, a color that symbolizes light and hope.



► We came together on Comfy Thursday and discussed the issue of combating violence against women.

► We repeated the **Training Against Violence Against Women** and received training on **Close Defense Techniques** to learn about our rights in the fight against violence and how we can protect ourselves from violence.

► In order to raise awareness against dating violence, we tried to find an answer to the question of relationship or violence by solving the **Safe Relationship Test** prepared by Kız Başına platform.

► We again underlined the importance of KADES application created by the Ministry of Interior.

► We have also highlighted all the patterns that have penetrated into every aspect of our lives and subconsciously legitimize violence.

► We tried to raise the awareness of all Penti employees by publishing the **"Universal Declaration of Human Rights"** on 10 December Human Rights Day, the last day of activism.

Gender Equality

As a participant of UNGC Target Gender Equality, one of our most important values is fostering opportunities for women’s empowerment in every field.

Penti is among the companies participating in the UN Global Compact’s Target Gender Equality Program on a global scale. Creating opportunities for women’s empowerment in every aspect of society is one of our most important values. In accordance with this value, the proportion of women in our board of directors increases every year.

The majority of our employees are women, and we support discrimination against women initiatives in order to empower all of our working women and increase the proportion of women in the business world.

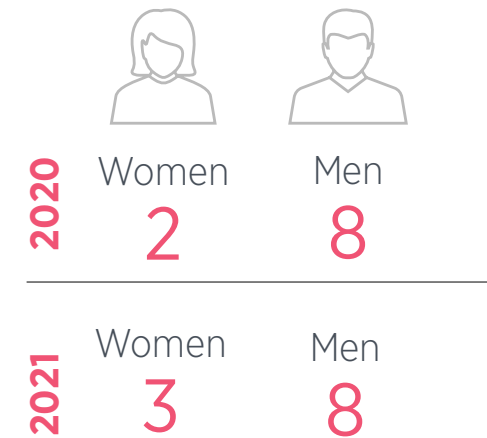
- ▶ “As a signatory of the Women’s Empowerment Principles (WEPs) of the United Nations, we provide equal opportunities for women to realize their full potential through our projects at Penti.
- ▶ We participate in international activism movements in cooperation with UNwomen.
- ▶ We share our sustainability in this field with everyone by receiving the “Brand Contributing the Most to Women’s Employment” award from Kariyer.net for 2 years consecutively.

At Penti, it is critical to catch the rhythm with value-oriented works. In this direction, there is a Gender Equality Team. This team produces and promotes gender equality practices within Penti, develops gender equality policies, and evaluates gender equality-related need analyses. Penti also includes its employees in its awareness-raising activities.

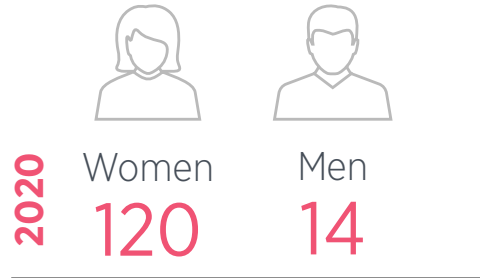
Management with the Teams at Penti enables the development of business processes in a democratic setting and the contribution of shared culture and values. Penti makes all decisions in collaboration with the Gender Equality Team.

A more equal world; All activities at Penti are organized according to the principle of gender equality, with a volunteer team comprised of Penti members, as part of the Gender Equality Program, and efforts are made to spread this culture.

Number of Women and Men in the Board of Directors



Number of employees uses maternity/parental leave



Number of employees returning to work after maternity/parental leave



Employee Loyalty

► We conducted the Employee Satisfaction survey, which we organize every year, with a participation rate of 87% in 2020. Accordingly, the employee satisfaction rate at Penti was 69%. The employee satisfaction rate in the survey we conducted in 2021 with a participation rate of 81% is 62%.

The employee satisfaction %62



At Penti, we implement the following employee happiness and interaction practices:



► We began wellness applications at Penti in 2021, as people around the world focused on their physical and mental health and engaged in activities to improve them, and we gathered these applications within the WELL TOGETHER project.

► Employees at Penti headquarters are covered by private health insurance. Within the scope of the insurance policy, employees are entitled to one free psychotherapy session and dietitian consultation per year.

► Every Thursday in 2021, we held meetings titled “Cosy Thursday” that were attended by employees of the headquarters. In these meetings, Penti employees who could not see each other or have coffee conversations during their time working from home discussed movies, television shows, and travels. We held virtual concerts. We provided yoga on a chair and olive tastings.

► Penti has social clubs that employees can join according to their interests. These clubs are Cinema Club, Music Club, Travel Club, Social Responsibility Club. Club members come together to plan various activities.

► At Penti, one day per month is celebrated as Appreciation Day, and all employees, regardless of position, express gratitude to one another for their superior performance, support, and friendship.

Penti Çorap Factory Social Indicators

	2020			2021		
	Women	Men	Total	Women	Men	Total
Total Number of Employees	518	292	810	673	352	1,025
Number of white collar employees	27	49	76	30	48	78
Number of blue collar employees	491	243	734	643	304	947
Number of employees covered by the collective labour agreement	482	172	654	632	220	852

	2020			2021		
	Women	Men	Total	Women	Men	Total
Number of employees by age						
Under 30 years	85	42	127	134	68	202
30-50 years old (including 30 and 50 years old)	407	229	636	512	259	771
Over 50 years	26	21	47	27	25	52

	2020			2021		
	Women	Men	Total	Women	Men	Total
Number of newly hired employees during the year	78	12	90	281	129	410
Under 30 years	23	3	26	110	59	169
30-50 years old	55	8	63	168	66	234
Over 50 years	0	1	1	3	4	7

	2020			2021		
	Women	Men	Total	Women	Men	Total
Employee Turnover						
Total number of employees leaving the job	62	24	86	128	68	196
Number of employees under the age of 30 who leaving their job	17	6	23	51	21	72
Number of employees aged 30-50 leaving employment (including 30 and 50 years old)	45	15	60	70	43	113
Number of employees over the age of 50 who leaving their job	0	3	3	7	4	11

	2020		2021	
	Training Hours (hour/person)			
Average annual training hours per person	4,51		7,84	
Trainings given to employees on ethical principles	0,10		0,42	
Trainings given to employees on combating bribery and corruption	0,10		0,42	
Trainings given to employees on sustainability	0,05		0,28	

Penti Giyim Retail Social Indicators

	2020			2021		
	Women	Men	Total	Women	Men	Total
Total Number of Employees	2188	245	2,433	2,499	291	2,790
Number of employees	2188	245	2,433	2,499	291	2,790
Number of employees covered by the collective labour agreement	0	0	0	0	0	0

	2020			2021		
	Women	Men	Total	Women	Men	Total
Number of employees by age						
Under 30 years	1197	79	1,276	1,416	105	1,521
30-50 years old (including 30 and 50 years old)	979	156	1,135	1,065	174	1,239
Over 50 years	12	10	22	18	12	30

	2020			2021		
	Women	Men	Total	Women	Men	Total
Number of newly hired employees during the year	981	104	1,085	2,311	230	2,541
Under 30 years	767	57	824	1,968	142	2,110
30-50 years old	213	45	258	337	86	423
Over 50 years	1	2	3	6	2	8

	2020		2021	
Training Hours (hour/person)				
Average annual training hours per person		6,29		10,54
Trainings given to employees on ethical principles		0,09		2,88
Trainings given to employees on combating bribery and corruption		-		-
TTtrainings given to employees on sustainability		0,003		0,006

Performance and Talent Management

Talent and employee experience and management are the top priorities for every manager in the organization. Because we recognize that the happiness of our employees is essential to advancing the brand's future.

People and their abilities are the most essential resource for organizations to achieve their goals and objectives. Skilled workforce is indispensable to businesses.

We consider our employees not only as a work force, but also as a part of the culture that makes Penti; we act knowing that the steps towards the future of the brand are becoming stronger due to our employees' desire to work successfully and happily at Penti.

For us, one of the main items on every manager's agenda is talent and employee experience and management, and its strategy and implementation results are monitored at the executive board level.

We have a Talent Management Team that is responsible for developing Penti's talent management strategies, assessing the performance and potential of the company's employees, conducting executive backup studies, and identifying employees for promotion. Members of this team include executive board members, the top manager of the employee to be promoted, the employee happiness and corporate transformation manager, the talent acquisition and loyalty manager, and at least 5 Penti council members.

Process integrity, formation similarity, and job similarity issues are taken into account in transitions between positions in Penti career journey promotion system; in the career matrix. Horizontal and vertical movement alternatives of positions are defined by career matrix. Furthermore, when a new position is created, the Human Resources first receives applications from within the company, with the approval of the manager to whom the position is assigned, followed by an internal announcement.

The journey of expertise and managerial career includes processes such as time, seniority, position seniority, tempo grade (KPI realization rate), development journey, cultural adaptation, and self-development desire.



Council members have the right to attend the Talent Management Team meetings as observers, where promotion decisions are taken. In this way, they can be involved in which processes the senior management follows when making promotion decisions. They can also attend Executive Board meetings as observers. In this way, they can transparently witness the processes through which strategic and important decisions taken within the company go through.



Training programs for employees and managers Penti Giyim Retail

Training Hours


Number of employees benefiting from training

	Cultural Programs (Penti's Rhythm, Corporate Orientation, Gender Equality training, Kyosei training, Rhythm of Values)	2.88	7,448
	Being Maestro Leadership Development Program (training and development programs for all managerial positions)	0.22	404
	Schools (Supply Chain, eCommerce, IT, Marketing)	0.52	83
	Specialization Programs (Underwear Academy, Mybra program)	0.30	422
	Technical Trainings (Excel, Adobe training)	0.20	53
	Competency Development (From Communication to Collaboration, Emotional Intelligence, Internal Trainer Training, Rhythm of Happiness, Learning to Learn)	0.41	754
	Compulsory Trainings (KVKK, Information Security, OHS, First Aid, ISO 9001)	0.73	1,868



Training programs for employees and managers Penti Çorap Factory



Training Hours



Number of employees benefiting from training

	Basic Trainings (Orientation, OHS, Fire, Environment and Waste, First Aid etc.)	30.2	642
	Operational Trainings (Job trainings, machine trainings, machine operating instructions, etc.)		
	Development Trainings (TPM, Single Point Trainings, ISO trainings, external trainings)		

Total Number of Employees Subjected to a Regular Performance and Career Development Evaluation

		
2020	Women 253	Men 163
2021	Women 292	Men 189

Under 30 years		
2020	Women 94	Men 5
2021	Women 79	Men 5

30-50 years		
2020	Women 451	Men 76
2021	Women 472	Men 82

Over 50 years		
2020	Women 6	Men 3
2021	Women 11	Men 4

Training



Retail Academy ile perakendenin ritmini Pentide tutuyoruz!

Müziğiyle Penti'nin ritmine katılan sevgili katılmamız, Retail Academy'e hoş geldini!

Penti olarak sektör lideri markamızda, moda yön vermek için cesur adımlar atmaya devam ediyoruz Penti konforunu yenilikçi bir bakış açısı ile kadın, erkek ve çocuk bedenine değer tüm ürünleri müşterilerimizle buluşturmaya devam ediyoruz.

Hep birlikte daha iyi bir yaşam için birbirimizden öğrenmeye, birbirimizi geliştirmeye ve yeniliklere adapte olmaya önem veriyoruz.

Retail Academy'de bir araya gelerek bu alanda güzel başarılar yakmayaya hazırız! İlk oturumumuz olan Tasarım ile ürün yolculuğuna başlıyoruz!

Bizi daha yakından tanımak içinse sosyal medya hesaplarımızı veya Penti HR web sitemize bakman yeterli!

📍 www.instagram.com/penti/
🌐 www.linkedin.com/company/penti-a/
🌐 <https://hr.penti.com/>
📧 **Konu:** Tasarım
📅 **Tarih:** 21 Mayıs Cuma
🕒 **Saat:** 15:00-16:00
🔗 **Bağlantı Linki İçin Tıklayınız:** <https://bit.ly/3opFy1j>
#pentinirritmi #hepbirlikte

Penti Training Platform

Atölye'nin 2021 yılı ritmi dopdolu!

Sürekli öğrenmeyi desteklediğimiz Penti Atölye'de 2021 yılı dopdolu eğitimler ile tamamladık.

Penti Atölye'deki ritmin hiç durmadığını söyleyebiliriz.

Neler yaptığımıza kısaca bir göz atıp, öğrendiklerimizi hatırlayalım.

#pentinirritmi

OCAK Temel Servis Excel İleri Seviye Eğitim YU Yönetici Programı Dünya'nın En İyi Webinar Tedarik Zinciri Olulu-Uygulama etkenlikleri	ŞUBAT Öğrenmeyi Öğrenmek	MART Herkesin Evanjestik Eğitimi Toplumsal Cinsiyet Eğitimi Lansman Kıyafet Lansmanı Moda Okulu - 5522 Fashion Trend Sonama Toplumsal Cinsiyet Eğitimi- Siddette Mücadele Rehberi	NİSAN Afet Farkındalık Eğitimi Toplumsal Cinsiyet Eğitimi Eğitimi Bireysel Koçluk Programı Çalışan Deneyimi Eğitimi Co-Flow Eğitimi
MAYIS Dijital Dünyada Sunum Teknikleri TechLab - Sorun & Agilite, İş Analizi Metodolojisi, Örgütsel Zeka Evde ve İş Yerinde ISO Eğitimi İşg Eğitimi Saparamiz Ulaştırması Finansal Raporlama Eğitimi İş Hukuku Eğitimi	HAZİRAN Kıyafet Eğitimi Young Maestro- Kıyafet Farkındalık Eğitimi Muhafız Ritmi Eğitimi/İk 5 Grup TechLab - Agile & Sorun Eğitimi Olay Eğitimi Covid-19 Aya Semineri İş Yerinde - COVID Eğitimi Moda Okulu - 5522 Trend Tahminleri Toplumsal Cinsiyet Eğitimi- Farkındalık/ Bilgi E-Ticaret Gelişim Kampı - SEO Eğitimi	TEMmuz Proje Yönetimi Eğitimi 5522 Trend Tahminleri Mükemmeliyet Semineri Agilite & Sorun Eğitimi	AĞUSTOS Muhafız Ritmi Eğitimi Agilite & Sorun Eğitimi Fikri Sıfırlama Bilgi Mükemmeliyet Semineri Online Toplantılar Nasıl Daha Verimli Olur Rehberi
EYLÜL Pantileri, Deprem ve Risk Değerlendirmesi Farkındalık Eğitimi Duygusal Zeka ile İlgili Bir Deneyim Eğitimi Deprem Farkındalık Rehberi Penti Tüketicisi Platforma	Ekim Penti Kilitli Kitabı Duygusal Zeka ile İlgili Bir Deneyim Eğitimi Excel Eğitimi, Temel & İleri Seviye	KASIM Ürün ve Tedarik Yönetimi Okulu- Topluluk Öncüde Karayme, Problem Çözme & Karar Alma Penti Süretilirlik Eğitimi İnsan Hakları Programı - İnsan Hakları Eğitimi İk 5 Yarıyıl Serifikası Eğitimi İleri Düzey Vergi ve Muhasebe Eğitimi UX/UI/Görme Eğitimi	ARALIK Ürün ve Tedarik Yönetimi Okulu- Problem Çözme & Karar Alma, Yıkılak Performans Tablosu Yüksek Performans Webinars Evde ve İş Yerinde ISO Eğitimi Kıyafet Gelişim Kampı Amatörlük mü yoksa pay- blog

Yenilikçi mentörlük uygulamamızla karşınızdayız!

YANKI

Bu sefer onlar sizin mentörünüz!
Artık Penti'de genç zihinlerin fikirleri ve önerileri yankılanacak.

Bu yenilikçi deneyim ile ilgili detayları paylaşmak üzere sizleri;
26 Eylül 2018 tarihinde saat 15:00'te Halet Çambel'e bekliyoruz.

Gerçekleşen için #Buradayım

Ekibiniz için #Buradayım

Being MAESTRO için hazır mısınız?

Sevgili Pentili;

Strateji Atölyesi'nde ritmimize ritim katmak, liderlik gücümüzü arttırmak çıktığımız ödürenme yolculuğuna hazır mısınız?

Being Maestro Liderlik programı için geri sayım başladı.

Modüler programımızın akışını ekte sizinle paylaşıyoruz.

Being Maestro için öğretici ve bir o kadar da keyifli serüvenimiz başlıyor.

Programla ilgili iletişimlerimiz devam edecek. Takip etmeyi ve katılımı unutmayın.

Penti Atölye'nin 2021 Ritmi

2021 yılını da hepbirlikte dolu dolu geçirdik. İşte rakamlarla Atölye'nin ritmi!

43 online eğitim düzenledik. 29336 kişi katıldı

50 canlı sınıf eğitim düzenledik. 1542 kişi katıldı

3 blog yazısı yayınladık. 737 kişi okudu.

54 bilgilendirme videosu yayınladık. 37432 kişi izledi.

İç Giyim Akademisi için Geri Sayım Başladı!

Sevgili Pentili,

Atölye'de her zaman bu kadar bir öğrenme yolculuğuna çıktığımız için gururlandığımızı belirtmek isteriz. Bu süreçte 300'den fazla uzmanla İç Giyim Akademisi'ni başlatıyoruz.

Bu önemli adım için 12 Eylül 2021 tarihinde saat 13:00 - 14:00 aralarında gerçekleştirilecek lansmanımıza davet ediyoruz.

- KOLEKSİYON OLUŞTURMA**
- YENİLENEBİLİR KAYITLAR**
- SERİSİNDEN ÇIKARTILAR**

Combating Child Labor

It is a well-known fact that child labor, which had been existing in nearly all countries of the world since ancient times, continues to exist in various forms throughout the globe, regardless of the level of development.

The Convention on the Rights of the Child was adopted by the General Assembly of the United Nations on November 20, 1989. Immediately after this, in September 1990, the World Children's Summit was held in New York with the participation of 71 nations, and an urgent and universal call was issued with 27 goals to provide a better future for every child.

At Penti, we carry out preventive activities in the areas of child labor, forced labor and human trafficking in this direction.

Article 71 of the Labor Law prohibits the employment of minors younger than 15 years old. There are also jobs that are illegal for young workers to perform, according to laws and regulations. With its Code of Conduct, Penti has transferred these responsibilities which are mandated by law to its suppliers. Therefore, suppliers cannot, under any circumstances, employ children younger than 15 years of age. According to the law and regulation, they cannot employ young workers in heavy-duty positions that are prohibited for young workers. Article 50/2 of the Constitution addresses providers. They commit to acting in accordance with the principle of special protection for young workers with respect to working conditions.



Human health

As Penti, ensuring full compliance within the scope of Occupational Health and Safety (OHS) by adhering to legal requirements, national and international standards is of utmost importance.

Following the appointment of OHS professionals and OHS committee meetings, recording work accidents and near-miss notifications, root cause analysis, taking action, conducting health checks at the start of employment and periodically, risk analysis, and emergency preparedness are required to ensure compliance with the regulations and standards. We supervise and manage processes such as the development of situational action plans and environmental measurements.

Penti includes first aiders, a company doctor, private health insurance, therapy sessions, and dietician consultations. In addition, we assist Penti employees in receiving first aid training as part of their volunteer work. In 2021, 61 employees of Penti received certificates in basic first aid. The work performed and/or to be performed at Penti is governed by a plan. In addition, approximately 300 thousand Turkish Lira was invested in OHS issues in 2021.



Activities in the Office

Routine Activities (every year)

- ▶ Electrical system inspection
- ▶ Certified first aid training
- ▶ Fire training
- ▶ Maintenance of fire extinguishers
- ▶ Ventilation system maintenance
- ▶ Pest control
- ▶ Ambient measurements
- ▶ Disinfecting the environment

One-Time Activities

- ▶ Fixing cabinets to the wall
- ▶ Converting toilet doors into automatic opening mechanism as a Covid-19 precaution
- ▶ Converting faucets to automatic as a Covid-19 precaution
- ▶ Putting separators on tables as a precaution against Covid-19
- ▶ Purchase of portable devices that filter and clean the ambient air

Penti Çorap Factory OHS



Our company is responsible for making sure our employees have a healthy and safe working environment. We do this by taking all kinds of precautions and providing our employees with the training they need. We put warning signs all over our factory and administrative building to let our employees know about the occupational health and safety risks.

Every accident that may occur is unfavorable for the health and safety of our employees, the efficiency of our work, and the reputation of our company. Therefore, it is our primary focus to implement the best strategies to reduce the risk.

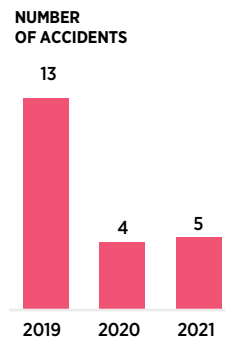
We handle the situation in accordance with our internal regulations and policies, which are established in accordance with the national and international standards. The OHS expert and the SHE committee monitor occupational health and safety. We keep track of the number of near misses and workplace accidents, the impact rate of the cases, the number of missed days and absences, and the factory's overall risk score.

In addition, we closely track our progress towards achieving our objectives. We are happy to state that there has been no fatal accidents since our establishment. In order to achieve our "zero defect" and "zero error" objectives, we implement TPM, which helps us reduce risks and prevent incidents.

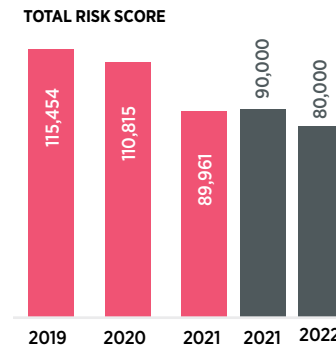
The OHS risk analysis is prepared based on information received from the department manager and department employees. Moreover, the Total Productive Management System includes a "work accident-near miss module" that monitors and reports the risks. The OHS board holds a meeting with a worker representative on a quarterly basis.

FACTORY WORK ACCIDENT GOAL REALIZATION

≥3 WORKING DAYS LOSS



TOTAL RISK SCORE GOAL REALIZATION



Actual Total Risk Score

Annual Goals

Customer Health and Safety

One of the most important aspects of customer satisfaction for Penti is providing the right quality and safe product to customers. In this regard, we perform physical, chemical, and safety tests for each product model we sell at Penti, as well as complete quality controls in accordance with the international standards (AQL) in order to control the overall quality of the products.

In 2021, **13,980** inspections were carried out on the products produced by our suppliers. **85%** of these inspections were passed, **4%** were not ready for quality control, and **11%** were failed. In addition, approximately **55 million** products were supplied in 2021. **78%** of these orders was shipped on time, **22%** was late.

In 2021, the rate of passing the inspection at the first time was **82%**. **82%** of the products were approved during the first quality control. In 2020, the approval rate from the first quality control was **61%**, and **58%** in 2019. As these figures show, the rate of approval in the first quality control is increasing vertically every year.

All production units in our supply chain are subject to social compliance and technical competence evaluations, and we only work with suppliers who have successfully passed this audit. Child labor, fire safety, and forced labor (harassment, ill-treatment, and discrimination) are crucial; we do not work with the companies whose attitudes toward these issues we consider inappropriate. If detected in any company we work with, we immediately terminate our business relationship with the supplier.

13,980
inspections for the products produced by our suppliers

82% products were approved during the first quality control

Social compliance and technical audits were carried out on a total of **270** suppliers.

In 2021, a total of 54,904 product and fabric tests were conducted in the accredited and independent Ekoteks Laboratory.

TOTAL NUMBER OF FABRIC TESTS
38,210 pcs

TOTAL NUMBER OF FINISHED PRODUCT TESTS
16,694 pcs

TOTAL NUMBER OF TESTS
54,904 pcs

In 2021, social compliance and technical audits were conducted out on a total of **270** suppliers. **60%** of the technical and social compliance audits of our suppliers were completed successfully. **13%** were deemed unworkable, and **27%** were deemed in need of improvement. In audits, suppliers are mapped based on their levels of risk. Depending on the risk group to which a supplier belongs, they can be blocked. Depending on the risk level, follow-up inspections are carried out at regular intervals if there is no issue that calls for blocking.



AUDIT RISK RATING

RATING	CODING	SUITABLE / NOT SUITABLE
BLOCKED	CHILD LABOR FORCED LABOR ILLTREATMENT AND HARASSMENT DISCRIMINATION	NOT SUITABLE - UNINFORMED FOLLOW-UP INSPECTION IS MADE AFTER 6 MONTHS - IF THE REASON FOR BLOCKING IS DETECTED, IT WILL BE DELETED FROM PENTI SYSTEM
HIGH RISK	CRITICAL	NOT SUITABLE - A FOLLOW-UP AUDIT IS PERFORMED AFTER 6 MONTHS - FOLLOW-UP AUDIT
MEDIUM RISK	MAJOR	SUITABLE - FOLLOW-UP AUDIT AFTER 6 MONTHS
LOW RISK	MINOR	SUITABLE - PERIODIC INSPECTION - ONCE A YEAR



Risk Assessment Meetings

Before being approved for sale at Penti, every product goes through a risk assessment process. During this process, the product is assessed by the technical teams based on criteria such as product safety, product quality, fabrics used in the product, accessories, sewing quality, and comfort of the clothing, and any risky issues are addressed. Both long-lasting products and user safety are ensured in this way.

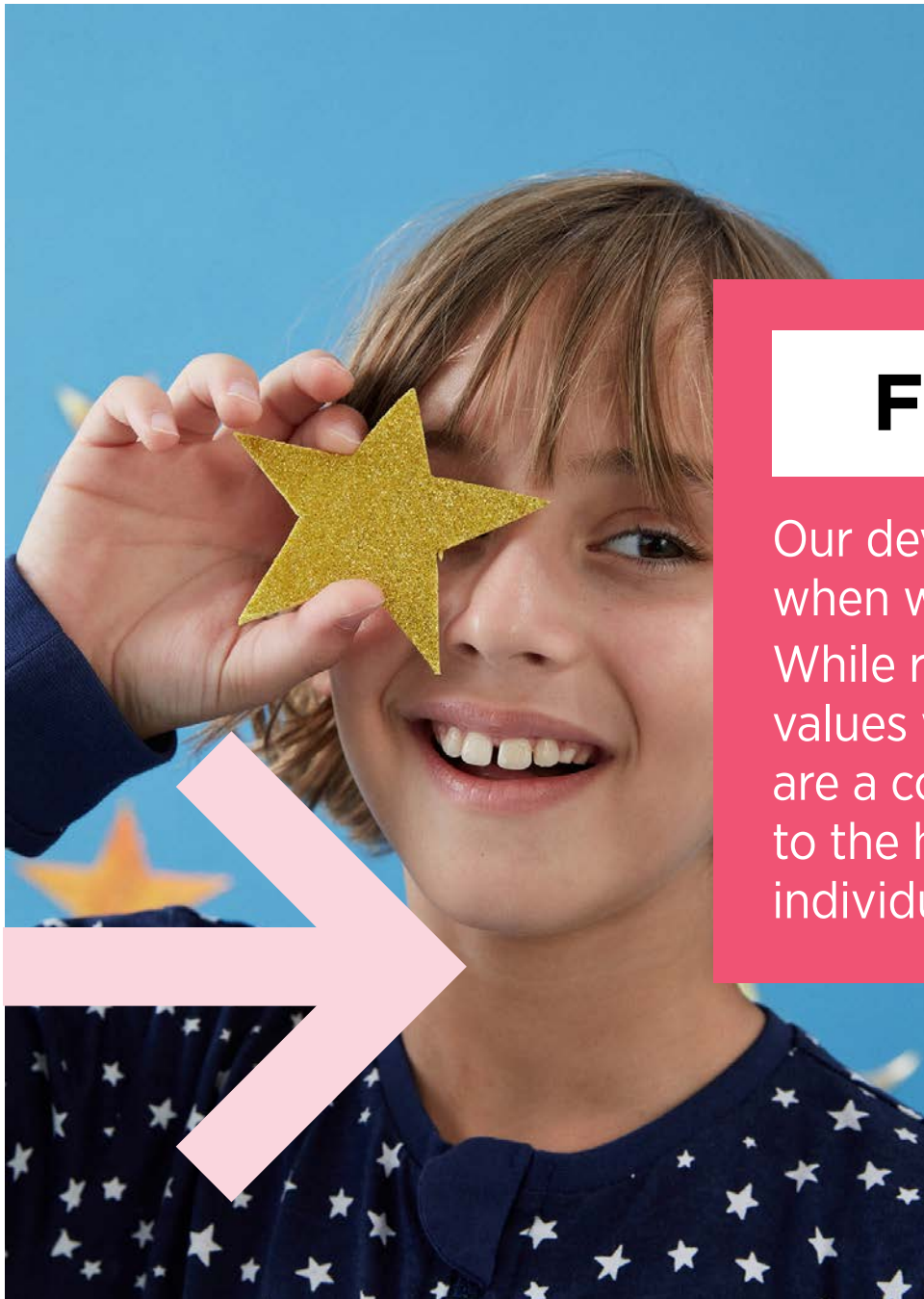
In 2021, **6,300** models were included in the risk assessment process.



For community... CARE

Our development and progress are possible only when we are a community.

While researching, developing and sharing the values we produce, we always remember that we are a community and we take care to pay attention to the harmony and common prosperity of all individuals and elements of this global community.



As Penti, we believe in collective development and progress and share our values with community.

- For the progress of the community
- And the economic development,
- We consider the constant innovation
- As our social responsibility.

We embrace a lovely future together with care.

As Penti, we believe in collective development and progress and share our values with community. For the progress of the community and for the economic development, we consider the constant innovation as our social responsibility, and we embrace a lovely future together with care. Success in management, production, and creating a thriving ecosystem require organized research and development activities, which are necessary for all three fields.

We should share the value we create with people using a variety of tools in order to increase economic and social welfare and make sure that everyone has access to it.

This understanding serves as the foundation for designing and putting into action our social benefit projects, which will transfer the value we create both indirectly and directly to all of our stakeholders. We make every effort to ensure that all of our stakeholders, customers, particularly our employees, are involved in our activities in this area.

We also share Gender Equality trainings and seminars to our suppliers. In this way, we support the development not only of Penti employees, but also of our suppliers with whom we do business.

R&D and Innovation Approach

Penti Çorap Factory R&D Center



At Penti Çorap Factory, we value innovation, development and high success. Therefore, in 2019 we established Penti Çorap San. Tic. A.Ş. R&D Technology Center.

We work on projects in the R&D center under three main categories for the comprehensive design and implementation of the innovation system. These are:

Development of Environmentally Friendly Sustainable Production Methods:

Adding new features to hosiery using environmentally friendly antibacterial materials, cutting down on the amount of yarn left over at the bottom of the bobbins used in production and adding value to them, and cutting down on waste,

Development of Hosiery Models to Meet Competitive Market Conditions:

Development of thermal seamless tights, improvement of our company's methods for dyeing hosiery made of polyester yarns in a variety of colors, creation of antibacterial socks,

Increasing Machine Efficiency:

Increasing the capacity of paint boilers through drum revision, utilizing artificial intelligence to reduce errors to zero, developing lock systems in machines that use hanger packaging, and developing applications that can save time and labor on the production line and prevent waste for products developed in the design departments.

As Penti Giyim Retail, we focus on producing innovative new collections with high added value. In 2019, our Design Center application by the Ministry of Industry and Technology of the Republic of Turkey was concluded

with success, and accordingly, 12 million 728 thousand TL R&D expenditure was made in 2021 with our Penti Giyim Design Center activities. For Penti Çorap; R&D expenditure of 4 million 488 thousand TL was made.

In our R&D laboratory of the factory, we conduct tests like rubbing fastness, sweat fastness, and washing fastness in order to evaluate the quality of the goods created through R&D applications. By reading articles, publications, symposiums, and conferences from across the nation and the world, researchers and technicians in the R&D Center create innovations in the textiles industry within the business.

Penti Çorap Factory continues its product development efforts in order to maintain its position as the market's top brand with our staff of 45 persons in total, namely 18 technicians, 23 researchers and 4 support personnel Penti Çorap Factory. In 2021, we met the needs of 9 finished projects and 8 ongoing projects with our own resources.

Eight of our projects were awarded under the R&D center awarding regulation during the activity period of 2021.

Participation in 8 scientific events such as national conferences, symposiums and a total of 57 trainings were ensured.

As Penti Çorap Factory, our long-term R&D strategies are;

- ▶ Ensuring a 10% increase in the company's annual growth by commercializing project outputs that add value in a competitive way
- ▶ Adapting the Industry 4.0 Revolution to existing infrastructure to ensure system sustainability through environmentally friendly and resource-saving behaviors, higher efficiency, increased flexibility in production, and cost reduction
- ▶ Increasing the number of employees at the R&D Center within the next five years.

Penti Innovative Collections

With its innovative designs, Penti is the Lovemark of women

The Innovation Department continues its product development activities in order to maintain Penti's market-leading brand position. In product development studies, 65 design registration applications and 14 patent/utility model applications were filed in Turkey and abroad. In this context, the following projects have been completed in 2021:

Blusky Mask

With the pandemic, medical protective masks were the first to enter our lives. When it became clear that this process would continue for a period of time, the use of masks became a trend by integrating with different styles. We produced Turkey's first hygienic protective fabric mask Penti BLUSKY in accordance with TSE K 599 mask criteria, as Penti, of course, giving priority to our health in mask models. We achieved nearly 100% particle filtration while processing the mask with "silver ion" technology approved by the Ministry of Health to prevent bacterial growth.



[For more detailed information about Blusky Mask with Rudolf](#)

It is Turkey's first hygienic protective fabric mask.

It is TSEK approved and provides 98.7% particle filtration.

It can be washed up to 50 degrees.

It is environmentally friendly.

It does not lose its protective effect up to 50 washes.

It does not irritate your skin.

It fits perfectly with your face.

My Size One Size



“Size free and tailored for you”

Penti “My Size One Size” collection can adapt perfectly to all body types without the need for trying on. The “My Size One Size” collection offers women long-term use, perfect fit, and perfect comfort thanks to Penti’s special fabric technology, covering all body sizes, can stretch up to three times, and instantly return to its original form.

Ficus Innovation

Collection Made with Natural Dyes

Penti Young offers the colors of Ficus Innovation, a special environment-friendly capsule collection; it has 100% natural dyes completely obtained from nature, to accompany the colorful, exciting, fun, and creative world of girls and boys. This skin-friendly collection is also environmentally friendly because it does not contain chemicals that are harmful to children’s skin. The collection, which saves water, energy, and time during dye production, contributes to the conservation and recycling of natural resources.

Natural dyes derived from olive leaves, pomegranate peels, acorn extract, and lemon peels are used to color the fabrics in the Penti Young Ficus Innovation capsule collection. In addition to fun vegetable and fruit olympic drawings and eco-friendly slogans, the collection created with these fabrics.

[For Detailed Information](#)

Hosiery That Makes You Thinner up to 2 sizes

In the corset knitting structure, using different yarn and knitting techniques, supported with auxiliary chemicals, hosiery with two size thinning feature are designed to provide wearing comfort for the user.

One Size Hosiery

Within the scope of the project; elastane yarns with high elasticity feature, by using different twisting and coating techniques, high stretching single product that compatible with 6 sizes was developed with maximum elasticity and recovery values.



“A vigorous and balanced start to the day!”

Balance & Relax Collection (2021)

Balance & Relax, a yoga, sports and homewear collection that improves intra-body communication and balance, has been developed in two distinct categories, day and night, as a result of a rigorous testing process that combined natural minerals with Fitness Therapy technology. The Balance & Relax Collection includes pyjama sets and night dresses for those who participate in active sports, particularly yoga, pilates, and also meditation. With the natural minerals in its structure, the collection has many features that contribute to body health, including making feel vigorous while awakening and activating the body's energy, increasing the amount of oxygen in blood and blood circulation speed, reducing muscle and tension pain, accelerating the transition to REM sleep, improving body balance, adjusting the temperature balance, helping to relax, feel good and reduce stress level.

► **Durable bra cup R&D:** Because of their constant use and hygiene; underwear products are subjected to frequent washing. As a result, the bra cups are easily deformed, resulting in a shorter product life. Within the scope of this project, durable bra cups with extremely high washing resistance were developed.

► **Curvy Group development:** In order to provide products that are suitable for all of our customers and meet their needs, we expanded the range of bra sizes in our area of expertise, underwear, and developed plus size bras.

► **Naia Fiber** (sustainable cellulosic based fiber): These undergarments are made from hypoallergenic, biodegradable, and sustainably sourced components.



Digitalization

At Penti, we place a premium on any software installation that will improve our management and production processes.

Digitalization Activities at Penti

1

► Our projects that utilize **RPA (robotic process automation)** technology entail automating repetitive, rule-based, routine tasks using robots. We achieved a 91% efficiency rate by reducing our electricity consumption and carbon footprint and by increasing labor productivity, particularly through the automation of HR and Accounting processes. In the coming days, we intend to implement collaborative projects with various departments to reduce electricity consumption.

2

► In the **Assorted Pack Replenishment (Solvoyo) Project**, Penti is able to replenish the stores at the right time with the right assortment (product range). With the **Transfer Management (Solvoyo)** and Channel Based Stock Management Projects, it will be ensured that stocks are delivered to the right channel, at the right time and in the right amount. **The Markdown Optimization Project** ensures standardization in the discount and campaign process applied to different channels, and increases the efficiency of store operations by applying discounts and campaigns to the appropriate channel at the appropriate time. With these projects we have reduced unnecessary paper consumption due to the wrong campaign or price, optimized shipment output and fuel consumption, and achieved gains that protect the ecosystem and reduce carbon emissions.

3

► With our **e-Commerce and Mobile Application** Projects, we have ensured process security, resource and energy efficiency by beginning the preparation process at the right time, ensuring the correct product and shipment at the right time, delivering the order to the correct address, and efficiently managing the cancellation and return processes.

4

► One of the outputs of our ongoing **Brand Identity Project** is to display our new logo at all customer contact points. One of the contact points is the bags given to the customers. These bags will be recyclable, eco-friendly.

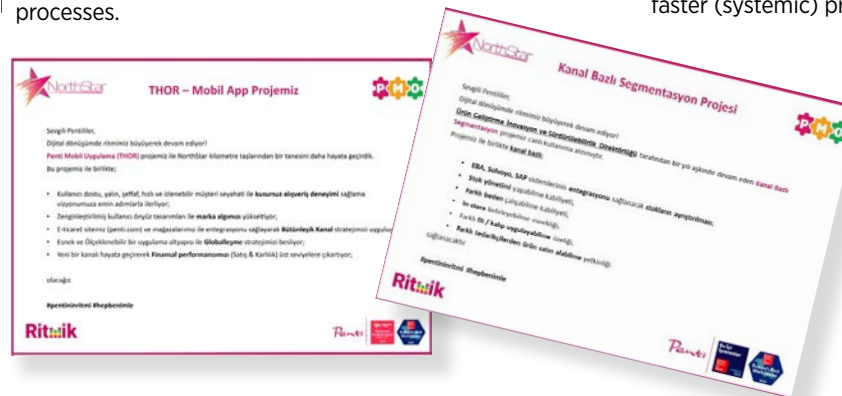
5

► We plan to digitize records such as receipts and slips produced in cash registers as part of the **Momentum Project**, which will save paper. We will eliminate cargo processes and reduce fuel emissions to the environment by digitalizing paperwork processes. We will reduce electricity consumption in the center and field by implementing faster (systemic) processes.

6

► **With the Manhattan Project**, smart algorithms will be used to optimize demand (E-com, Marketplace, Mobile App) and replenishment and supply (warehouse and store) in stores, and order will be transferred to the right channel at the right time and the right customer will be delivered optimally. With effective order management, the fuel used in logistics and cargo processes will be optimized, resulting in lower carbon emissions. With proper order management, cancellation and return processes can be reduced, reducing the consumption of paper, energy, and resources.

Furthermore, this project will have provided store employees with gains also in terms of developing their skills and training in socio-economic terms.

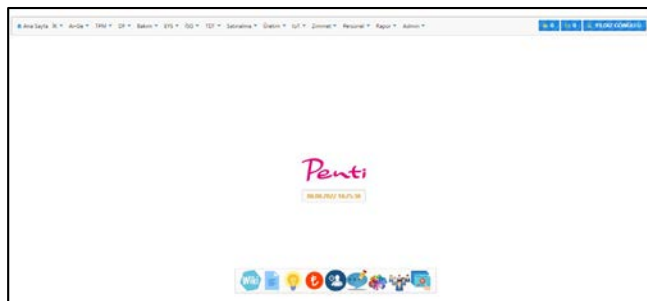


Penti Management System (PMS)

With the Penti Management System (PMS), we moved our sustainability efforts to the digital platform. We advanced to final in the Innovation-Process category of the Sustainable Business Awards Contest with PMS.

PMS is our internal software that we intend to digitize in order to increase our factory's competitiveness. It is open source code, integrated with SAP, and has a mobile application, all of which were developed by our own software team.

At our Penti Çorap Factory, we aim to produce user-friendly solutions to our personnel's problems in the studies that cover the Total Productive Management System (TPM), the Integrated Management System (ISO 9001, 14001, 27001, 50001), and information technologies, or, in short, "all our work flow processes."



Corporate Social Responsibility

Corporate Social Responsibility (CSR) projects constitute an important part of Penti's economic, environmental and social responsibility policies.

While carrying out numerous sponsorship and social responsibility projects under the umbrella of Corporate Social Responsibility, focus on environment, women and women's problems. In this context, we invest in the education, violence, health, family, and economic empowerment of women.

We published our Guide to Combating Violence Against Women to raise awareness with our Gender Equality team. We continued our training under our Human Rights Training Program within the scope of Human Rights.

Through highlighting the significance of breast cancer, the "We are Resisting Together" project raises awareness about early diagnosis and treatment methods.

During the peak period of Pandemic, we changed the hashtag **#HepBenimle (#AlwaysWithMe)** to **#HepBirlikte (#AlwaysTogether)** and 50 thousand pairs of underwear, socks, and pajamas were distributed to all female health workers in 14 public hospitals.

During the height of the pandemic, we continued to feed the street animals in front of our stores by taking the necessary precautions and distributing social media messages to raise awareness.

Together We Will Heal

(#WeWillHealTogether) We donated 20,000 saplings to TEMA Foundation for the reforestation of the regions damaged by the fires in our country.

Thanks to the Deniz Yaşamını Koruma Derneği, Corals are Under Protection

On Environment Day, June 5, 2021, we signed the United Nations' Global Climate Agreement. Together with the "**Deniz Yaşamını Koruma Derneği**" we supported coral planting in the Marmara Sea.

We've Delivered Our Aid!

Through the coordination of our Social Responsibility Club and our volunteer friends on the field, we sent food packages to Sinop following the devastating floods. Forest fires were one of the disasters that increased globally as a result of global warming. After the fires in our country, we delivered underwear, socks, t-shirts, hygiene masks, masks, and fire fighting equipment to the associations the Red Crescent in Antalya and Bodrum Municipality and Municipal Police Chiefs in Bodrum.





DOHAS Çorlu Association

The surplus meals in our factory are taken to the DOHAS Çorlu Association's feeding area for dogs in need of care and evaluated by our volunteers 2 days a week. Scrapped pallets are also used for the housing needs of dogs.

LET'S DO IT

We created awareness for our environment by participating in the 18 September World Cleanup Day, which was organized in cooperation with Tekirdağ and Çorlu Municipality and which took place with the participation of the Mayor of Çorlu.



“We knit against violence” We have been carrying out projects since 2007 in order to draw attention to violence against women and raise awareness.

As Penti, we have been saying **“End Domestic Violence”** since 2007.

We present socks to children with our **“Happiness on the Hanger”** campaign.

Customer Satisfaction

As Penti, we define ourselves as a customer-centric brand, placing customer satisfaction at the core of our business.

In this direction, we evaluate and analyze all types of positive, negative, and neutral customer feedbacks gathered through a variety of channels. We create actions regarding the notifications that we have identified as changes or notifications that require improvement, and we resolve the actions with the participation of the related teams.

We hear the voice of the customer through different channels:

► Through the call center, we listen to and resolve all Penti-related customer product complaints (about stores, store personnel, online transactions, return-change requests, price/design/quality etc). In the call center, it is aimed to close every waiting ticket, to process and meet every request of the customer. We also have an overall satisfaction goal of 80% on the call center side. Our 2021 score is 8.7 out of 10 on average.

Our 2021 score is
8.7 out of
10 on average.

Our 2021 NPS
score average is
61.8



Activity Type Total (Quantity) Information

140,736

Request-Suggestion
37,562

Complaint
28,653

Acknowledgement
485

Grand Total
207,436

► The comments of our customers applying to our stores with feedbacks about Penti products and services are evaluated by the store staff and entered into the I-COM (Information-Communication) platform, which facilitates communication between the head office and the store. Notifications on this platform are reviewed by the relevant teams in the head office. In 2021, 3,372 notifications were entered into I-COM on the topics such as price, design, function, packaging and quality of the products. The same figure was 2,338 in 2020.

If a customer requests a return or exchange, the store examines the product and sends it to the Product Evaluation Team in the head office. The customer's decision regarding the examined products is communicated to the store.

► We organize Customer-Mind meetings every 2 months with the participation of head office and field employees. Innovation & Quality Assurance, Buying, Category Management, Marketing, Design, and Operations departments attend these meetings to evaluate customer feedbacks received via the marketplace, social media, and retail stores, and to determine actions aimed at enhancing product development and boosting customer satisfaction. A total of 250 actions were determined from all categories for 2021. 200 of these actions (80%) have been completed, and work is still being carried out on 20% of them.

Gelişimin Yolu, Müşterinin Aklından Geçer!



Employment Development

The International Labor Organization (ILO) states that the transition to a sustainable and circular economy could generate 24 million new jobs globally by 2030. In the Green Jobs Report compiled by UNEP and ILO, job descriptions for preserving natural resources and the physical environment and enhancing environmental quality in terms of production, R&D, and services are outlined. According to this definition, a sustainable employment policy is expected to value people as much as the environment, give importance to issues such as employee rights and occupational health and safety, share aspects that are open to development and appreciation, create career opportunities, and to provide humane jobs.

At Penti, we implement the employment policy through an holistic and comprehensive perspective. In this perspective, we believe that by providing a fair wage and safe working conditions without discrimination, we are paving the way for an inclusive and sustainable future. We recognize that our most important value is the qualified human resource and the respect for human. In addition, we contribute to the employment of our country with nativization and localization policies.



ANNEXES

Goals



Goal Name	Goal Description	Goal Calendar
CRM; call center 80% satisfaction rate goal	Satisfaction rate of customers reaching the call center	Annual
Supplier inspection pass rate goal	85% pass rate from suppliers' product quality controls. Pass 85% of models included in quality control.	Monthly
Supplier shipment goal	Suppliers deliver products to the warehouse at the specified time; min. 80%	Monthly
Quality driven return rate goal	The rate of returns from customers due to quality complaints; 7 per thousand maximum	Annual
Sustainable product goals	Our goal is to increase the use of sustainable cotton and recycled polyester to 45% by 2025, to 60% by 2027 and to 95% by 2030, by integrating new technologies that reduce the use of water, energy and chemical products into our production processes.	Year based
Supplier performance goals	Increase the number of suppliers in the gold/silver supplier classification by 10% by getting 5 or more points out of 10 based on pass rate and shipment points	Annual
Penti customers satisfaction (Customer Mind meetings)	Keeping the negative comments made by Penti customers on the products on Marketplace sites (comments with 1 and 2 points) at the maximum level of 7% among all comments.	Quarterly based
Great Place to Work	75% - to be GPtW	Annual
Operation Sales HGO	Operation Sales HGO Achieve 100% -2022 Sales goal	Annual
Store Experience Scores	The store experience point goal based on the weight points of the 4 main titles	Annual
Count (stock)	Counting results below the wastage limits	Annual

Penti Çorap Factory Contribution to Sustainable Development Goals

We took our place as Penti Çorap Factory with the actions we made for Sustainable Development Goals on the Brands' Action Map, in SDG MAP Turkey website. On this platform, we presented our works that serve 17 universal action items defined as "Sustainable Development Goals" by the United Nations. As of 2018, 5% of our annual revenue is allocated to projects that contribute to sustainable development objectives. Until 2025, this rate is goal as 9%.

[Sustainable Development Goals](#)

Penti

Sustainability Report 2021

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Thanks

Thank you for reading our sustainability report, our “Common Story”, in which we describe our work with knowledge, passion, respect and care for a more equal world.

As a multidimensional, pioneering and leading organization operating in the global field, we will continue to work to completely fulfill our responsibilities to all our stakeholders and our world.

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