

Positive Business report

2022



This is Pentland Brands' fourth annual Positive Business report, evaluating improvements made during the period January 2022 – December 2022 and our plans for 2023 and beyond. It evaluates our progress against core metrics set out by the World Economic Forum's International Business Council. It was approved by the Pentland Brands Executive team on 27/04/23. Our previous Positive Business reports can be viewed [here](#).

We welcome your feedback on how we can improve our policies and approach to corporate responsibility. To get in touch, email us on corporate.responsibility@pentland.com

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Letter from our CEO

As we reflect on the past year, there's no denying that 2022 presented our teams with unprecedented challenges. From the continuing impact of COVID to an ongoing climate emergency and the escalating cost of living crisis, we faced obstacles that tested our resilience and determination. But, driven by our purpose to pioneer brands that make life better, we achieved remarkable milestones that demonstrated the immense value of our people and brands.

We made strong progress in our 100-1-0 sustainability goals. Launched in November 2021, we're aiming to help 100 million consumers live positive, active, sustainable lifestyles, improve the lives of one million people in our communities and become a net zero business by 2032.

In 2022, we helped 19 million consumers and improved the lives of 190,000 people in our communities. We have also signed up to the Science Based Targets initiative (SBTi), committing to creating a clear carbon reduction roadmap to reach net zero. Internally, our sustainability goals are now an important part of our overall business strategy, with our annual employee bonus only being paid if we achieve yearly targets against our sustainability goals.

I'm incredibly proud that our brands have pioneered bold moments in 2022. Speedo's Swim United initiative campaigned for children to find joy in the pool while learning a life-saving skill. Berghaus launched its free repairs service, Repairhaus, which recognises that one of the best things we can do to give products a second life is mend and repair our garments. Another highlight was Kickers' vegan footwear launch. Priced the same as its leather products, this shows how our brands can influence the planet positively.

Last year also marked 20 years of Design Pool, our in-house design internship programme that has supported over 200 young creatives.

It's our incredible people and culture that sustain our business ambitions. When faced with challenges, trusting the capabilities and competency of the brilliant people in our organisation has seen us through. We're uncompromising in our high standards, focused on doing the right thing for our people, planet and partners, and resolute in our ambition to create a successful business for the long term.

As a family business, our culture continues to be anchored in values of trust, compassion and working together to make a better Pentland.



This commitment extends beyond our organisation, as we actively participate in and contribute to many global industry groups and organisations. By working with others, we can push change further. We choose not to work in isolation, and our positive business actions align with the United Nations' Sustainable Development Goals.

Despite some tough challenges in 2022, teamwork, resilience and agility were key to unlocking some incredible achievements for Pentland Brands. Looking ahead, we remain committed to learning and evolving to make an even greater impact.

Chirag Patel
CEO, Pentland Brands

About us

Pentland Brands is the name behind some of the world's best sports, outdoor and lifestyle brands. We own Speedo, Berghaus, Canterbury of New Zealand, KangaROOS, Endura, ellesse, SeaVees, Red or Dead and Mitre. We're also the UK footwear and apparel licensee for Kickers and manage the Fitco business. Our products are sold either directly or by licensees and distributors.



Pentland Brands is a division of Pentland Group, a privately owned, global brand management company with retail and wholesale businesses in sports, outdoor and fashion.

+ 21 offices across 4 continents	+ 1,500 employees globally	+ 190 countries products available in	+ 100,000 people working in our supply chain
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CEO's message

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Positive business

Our positive business strategy sets out three major goals to take action for people and planet by 2032. This strategy is shaped by the United Nations' Sustainable Development Goals, with this report showing how we tackle global inequalities and environmental challenges. Read more [here](#) about our goals and progress.

100-1-0

Making life better:
We will improve the lives of **1 million** people in the communities in which we operate.

Pioneering brands for good:
We will help **100 million** consumers to live positive, active and sustainable lifestyles.

Driving a sustainable future:
We will be a **net zero business.**

2022 Highlights

Help 100 million consumers live positive, active and sustainable lifestyles	Improve the lives of 1 million people in the communities we operate in	Drive a sustainable future with net zero by 2032
19 million consumers impacted	190,000+ people supported in our communities	Signed up to Science Based Targets initiative to validate our net zero plans
Kickers launched first 100% vegan collection	135,000+ products donated to charitable organisations	Berghaus certified as B Corp
Berghaus repaired 6,000 items for free	1,000+ charitable organisations supported across 12 global regions	Funded the planting of 7.8 million trees



Speedo believes everybody has the right to experience the joy of swimming. It's also journeying towards using more recycled materials in its products.

- + The swimwear brand supports organisations and initiatives that help communities become water safe. Its Swim United programme has funded over 4,500 swim lessons for kids in the UK and South Africa through the Black Swimming Association, Panathlon and National Sea Rescue Institute, among others. It's also petitioning the UK Government for greater equity in the water and to change the downward trend of nearly 1 in 3 children in the UK leaving primary school unable to swim. In the USA, it donated to diverse water safety organisations, including the US Boys and Girls Club LA, Make a Splash Foundation and Rising Tide Effect.
- + Speedo's Outsiders Club celebrated the mental health benefits of

swimming outside at New Year with Mental Health Swims and by sharing inspirational stories of real outdoor swimming communities in the UK.

- + It's working towards reducing the environmental impact of its products. In 2022, Speedo increased the volume of products that use recycled materials as its main materials to 61%. It also constructed goggles from materials that use less fossil-based carbons compared to traditional plastics and has a specific kickboard and pullbouy made from a material mix that includes algae. It's working towards having recycled materials as the main material in all its items by 2024. More info on pages 34 and 36.
- + Speedo cares about the world's wild waters with its Trees for Clean Seas project, planting 2 million mangroves in 2022. It also completed a project with Planet Water Foundation in Vietnam to provide clean water for drinking and sanitation.





Berghaus' mission is up to open the outdoors to more communities and inspire more people to enjoy nature.

+ Berghaus was certified as B Corp and joined a globally recognised community that uses business as a force for good. It was awarded B Corp status after a rigorous assessment that covered governance, workers, community, customers, and the environment. Berghaus is the first brand in the Pentland Brands portfolio to achieve the sought-after status.

+ The outdoor brand prides itself on making long-lasting and repairable gear, which it has done since it



began in 1966. It relaunched its repairs service, Repairhaus, in 2021, providing 6,000 free repairs to its customers in 2022.

+ Berghaus backed initiatives that enhance accessibility to the outdoors for underrepresented groups, supporting The Outward Bound Trust, It's Great Out There Coalition, Millimetres 2 Mountains and Black Girls Hike. It's also committed to conserving the outdoor environment, planting 2 million trees through Eden Reforestation Projects and partnering with outdoor organisations including the John Muir Trust and the European Outdoor Conservation Association.

+ Berghaus use Made Kinder, an internal criterion, to help its consumers see the gear made from materials that minimise impact. As part of the criteria, products must be free from harmful chemicals and made with 100% certified responsible down or sustainable cotton.





The global brand continued to support charity initiatives, champion diversity in the fashion and sports world, and help its consumers be authentically bold.

+ ellesse donated clothing to In Kind Direct, a UK charity that distributes items to charitable organisations including community projects, child/youth care and family welfare organisations across the UK. These items provide warmth and protection and support physical and mental wellbeing.

+ It launched a competition to regenerate a local community's tennis court. Entries were judged and shortlisted



by its tennis ambassadors including Paul Jubb, Freya Christie, and wheelchair tennis star and world number one, Alfie Hewett.

+ To celebrate Pride, ellesse collaborated with independent UK streetwear brand Goguy. Together, ellesse x Goguy launched a Teletubbies collection, celebrating the much-loved children's TV characters. The collection was hosted by Ru Paul's Drag Race queen Baga Chipz MBE and worn by the Teletubbies at London's Pride parade.

+ ellesse partnered with charity: water to provide clean water access to its communities in India — one of its sourcing markets. The organisation works in communities where access to clean water can be as low as 4%. They build piped water systems so people can access clean water in their homes.



Mitre

Mitre uses the power of football to encourage players from all backgrounds to live active and healthy lives.

+ The football brand clubbed together with rugby brand, Canterbury, to support its Fair Game initiative to give every primary school child in the UK their own PE kit. Mitre donated £100k of footballs and equipment to the nationwide campaign. Its ambassador, Tyrone Mings, helped amplify the message and encouraged schools that needed PE kits to sign up.



+ Mitre teamed up with the charity Shelter to use football to raise awareness around homelessness in the UK. It raised funds for Shelter's #NoHomeKit campaign by selling bespoke footballs and donating 400 balls to be sold in Shelter's charity shops.

+ It championed the next generation of female football talent by supporting the UK non-profit, Festival of the Girl. Mitre donated footballs to kick off the football skills session and inspire young girls to try football in a fun and safe environment.

+ It continued its long-standing partnership with the UK charity In Kind Direct, donating over 12,000 of its products to 336 charitable organisations. This donation of sports gear and equipment encourages sports participation in local communities.





Canterbury of New Zealand is building inclusive sporting communities and stepping up its game when it comes to its sustainability efforts.

- + Canterbury continued to champion grassroots rugby. It supported women's rugby through its Future Fund grant programme and its 'Give It A Try' programme with Irish Rugby helped hundreds of girls aged 8-14 give the game a go.
- + To support struggling families during the cost of living crisis, it launched the Fair Game initiative to provide a free PE kit for every school child in the UK. Canterbury donated £97,000 worth of sports kit to UK schools through charity partner In Kind Direct.
- + The worldwide rugby brand showed its support for mental health initiatives, supporting I Am Hope, an organisation offering hope to young

people in New Zealand, and the mental health organisation batyr in Australia.

- + Canterbury established an internal sustainability criterion for its products, outlining that a minimum of 75% of a product must use materials such as organic cotton or recycled polyester with no harmful chemicals. It's committed to 50% of its teamwear product range meeting these criteria in 2024. Canterbury is also on track to switch to recycled fabrics in its custom rugby jerseys in 2023. Read more on page 35.
- + The rugby brand undertook trials for all packaging and transit packaging to switch to recycled and/or recyclable materials in 2023.
- + Canterbury planted 500,000 trees through its reforestation partner, Eden Reforestation Projects, helping to restore natural environments.





This Scotland-based brand believe cycling can be a force for change and uplifts communities through mountain biking.

- + The Endura Lifecycle Charitable Trust led hundreds of free mountain bike sessions for groups that support people from low-income communities in central Scotland and groups that help people with additional needs. These sessions allowed people who might otherwise face challenges accessing outdoor activities to enjoy the therapeutic effect of mountain biking.
- + It supported the Richmond Cycling Corp in Virginia, USA, a non-profit supporting a group of young cyclists through sponsoring gear, training, and financial support.
- + Endura designs durable kit that is built to last a long time and aims to further extend the life of its gear

by offering minor repairs out of its Scotland production facility. It introduced PFC-free fabrics in 2018 and all its MTB jerseys are made using post-consumer recycled polyester fabrics (more than 50% recycled fibres). These fabrics are made from materials such as recycled plastic water bottles.

- + Since 2020, Endura has planted 3.6 million trees through Eden Reforestation Projects. The mangrove restoration project in Mozambique is an initiative that works together with communities to produce, plant and protect trees.



Kickers®

This footwear brand champions diversity, inclusivity and doing things a little differently. It's also working on ways to reduce its environmental impact.

- + Kickers launched a 100% vegan footwear range to offer parents a lower-impact option for their 'Back to School' shop without trading quality, price, accessibility or style. It also introduced more recycled materials into its footwear. See more on page 35.
- + It donated footwear to In Kind Direct, a UK charity that distributed the items to children and families at 198 organisations.
- + Continuing its partnership with Show Racism the Red Card, its Wear Red Day activation increased registrations for the fundraising event. Building on last year's success, the brand also worked with Pentland Brands' diversity and inclusion team to run internal anti-racism workshops for employees.

- + It launched Kickers Collective, a free-to-enter national ambassador programme that offered five up-and-coming young creatives paid work experience and live brief opportunities to support their career journey. Its Kickers Presents platform also profiles and supports young talent.
- + It kicked off its partnership with the preloved platform Reskinned, allowing its customers to trade in their used footwear for online credit. Reskinned reuse, resell or recycle 100% of products received.
- + It planted a tree for every pair of Kickers made in 2022, equating to over 1 million trees planted through Eden Reforestation Projects.



SEAVEES

This Californian brand gives back to people and the planet and continues to put its best foot forward to try make shoes more responsibly.

- + For the past seven years, SeaVees has been a proud 1% For the Planet member, donating 1% of its annual revenue to environmental causes. It also supported local causes aligned with their values of LGBTQ+ rights, breast cancer awareness, mental health awareness, women's reproductive health and environmental causes supporting the Pacific Pride Foundation, Un Mar De Colores, Mental Wellness Center, Planned Parenthood, Keep a Breast, Xerces Society and Gaviota Coast Conservancy.
- + Its product collaboration with artist, Carissa Potter Carlson of People I've Loved, created a custom sneaker with positive affirmations. Ten percent

of the proceeds were donated to generate awareness and advocacy around mental health support and resources for youth in Santa Barbara, California.

- + Its SeaChange sneaker collection is made with recycled components, including recycled canvas uppers, post-consumer recycled plastic laces, metal-free stitched eyelets and recycled rubber outsoles with recycled material sourced from PET plastic from single-use plastic bottles. In 2022 it evolved the line to include innovative new materials like vegan corn leather and pineapple yarn. Every pair of shoes sold from this collection gives back \$1 to SeaTrees, a non-profit that works to restore blue carbon coastal ecosystems and ocean health globally.



Governance

We embed good governance and a culture of 'doing the right thing' through robust policies and governance structures, legal training for all employees, and social audits. This ensures we continue to act responsibly to our people, consumers and the communities we operate in. These actions fall under the WEF Metric of 'Principles of Governance'.

Activity	2022 Status	Progress	SDG
Review e-learning training on key compliance areas.	Complete	These include modern slavery, anti-bribery and corruption, personal data and competition law. We updated the compulsory modern slavery online training module.	8
Continue with risk assessment across key business functions.	Complete	The internal group identifies, monitors and measures risk. In 2022 the committee met three times.	17
Review upcoming legislation.	Ongoing	We reviewed upcoming legislative changes and customer requirements.	8
Continue to review and publish our ethical trade policies.	Complete	We reviewed our responsible exit and restricted countries list.	8

Governance

We strengthen our approach to positive business through regular collaboration across the business. This ensures we are continuously evaluating environmental, social and economic risks and opportunities, allowing us to make more informed and coherent decisions.

Our code of conduct, outlined in Our Standards, sets out our expectations for our employees, suppliers and partners. Our Executive team oversees all the areas detailed in Our Standards, including responsibility for human rights, supply chain and the environment.

Our dedicated teams, leaders and committees help us put our principles into practice, each with individual focus areas including diversity, inclusion, sustainability and charity.

Governance structure

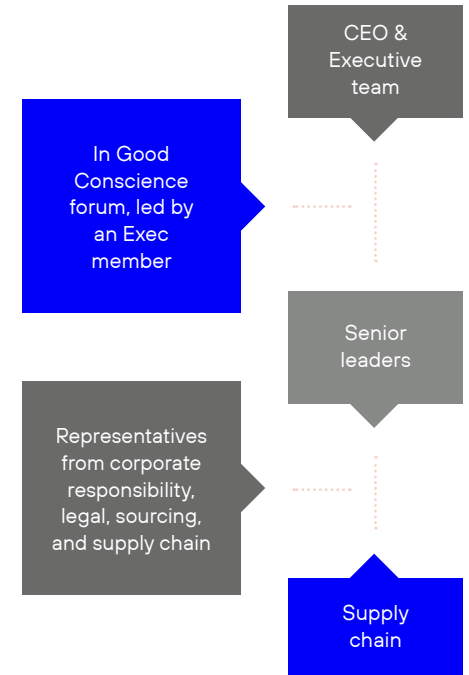
Our **In Good Conscience forum** evaluates the risks and opportunities in our supply chain, including those related to ethics, integrity and the environment. It's made up of representatives from supply chain, sourcing, corporate responsibility and legal.

Our **Risk committee** unites stakeholders across key functional areas to strengthen the effectiveness of risk management in the business. They identify, monitor and measure risk to improve awareness and accountability.

We also promote ethical behaviour through:

- + Compulsory online legal training modules so our people do business ethically and responsibly. These include modern slavery, anti-bribery and corruption, personal data and competition law.
- + Managing our risks through social audits to ensure compliance with the ethical, social and operational criteria set out in Our Standards. Our audit data can be viewed in our [Modern Slavery report](#).
- + Our whistleblowing service ensures any employee can safely raise an issue. This goes together with our Speak Up policy that reflects our commitment to conduct our business honestly, ethically, and transparently.

Governance structure

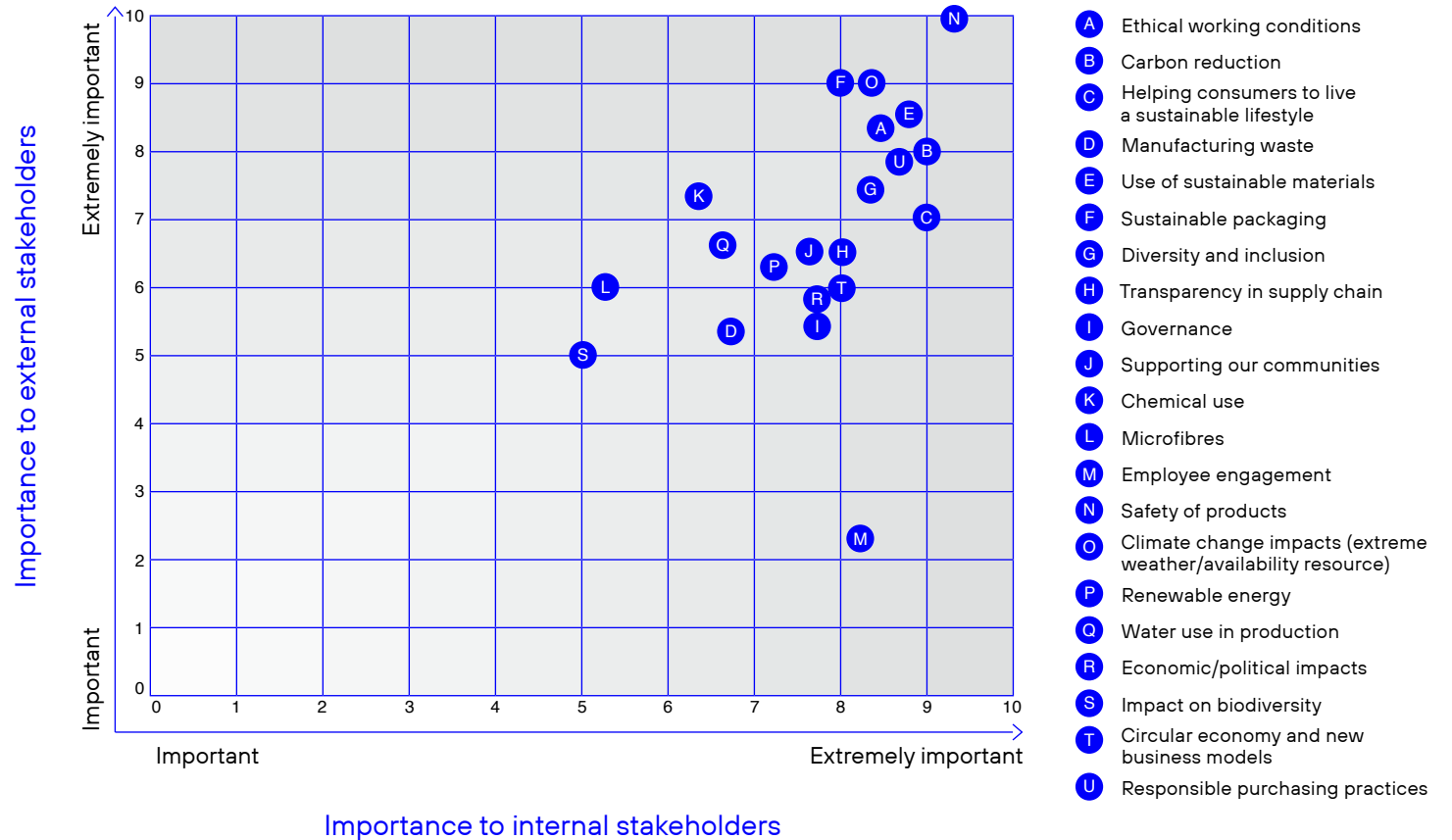


Structure for 2022

Materiality framework

We engage with our key stakeholders to identify topics of importance to inform decisions on issues that matter to our business. Information on our key business decisions and any resulting stakeholder engagement can be found in our Pentland Brands Section 172 statement here.

Pentland Brands materiality assessment



- A Ethical working conditions
- B Carbon reduction
- C Helping consumers to live a sustainable lifestyle
- D Manufacturing waste
- E Use of sustainable materials
- F Sustainable packaging
- G Diversity and inclusion
- H Transparency in supply chain
- I Governance
- J Supporting our communities
- K Chemical use
- L Microfibres
- M Employee engagement
- N Safety of products
- O Climate change impacts (extreme weather/availability resource)
- P Renewable energy
- Q Water use in production
- R Economic/political impacts
- S Impact on biodiversity
- T Circular economy and new business models
- U Responsible purchasing practices

Risk and opportunities

Supply chain delays

+ With lockdowns in China continuing into the first quarter of 2022, some of our factory partners continued to operate at a reduced capacity. Despite our best efforts to keep things running smoothly, restrictions impacted the movement of orders to our freight forwarders. This meant we were unable to ship some orders until lockdown restrictions eased in the second quarter.

Ukraine invasion

+ Following the invasion of Ukraine by Russia in February 2022, our priority was on how to support the humanitarian efforts. See how we supported Ukraine with emergency relief on page 24.

+ We paused trading in Russia on 28th February and suspended actively trading in the market until further notice. The escalating situation

between Russia and Ukraine increased the risks of cyber-attacks, so we moved our IT Security Operations team to high alert status as a precaution and actively blocked known Russian IP addresses.

Cost of living crisis

+ To help our people with the cost of living crisis, we applied an in-year salary increase for our lower earners (5% in UK and varied in other locations) and a further increase for all employees from 2023 (7% in UK and the US with various increases across other locations reflective of market conditions). We also introduced a package of support for including financial education sessions and money coaching (UK employees).



People

Our people are essential to our success. We aim to create equitable, supportive and inclusive workplaces that foster a positive and productive work environment. We also strive to improve the lives of workers in our supply chain and support people in our communities. These actions fall under the WEF Metric of 'People'.

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Activity	Status	Progress	SDG
Collect diversity data for our global offices.	Ongoing	We started collecting data and have a roadmap for collecting the rest.	5
Run anti-racism training.	Complete	We ran a series of global anti-racism workshops with Show Racism the Red Card.	10
Help young people from underrepresented communities enter the world of work.	Complete	We partnered with The People to launch The Pentland Collective to help young people from underrepresented communities with work experience.	8
Launch a global wellbeing hub.	Complete	We launched an internal global wellbeing hub to give our people mental, physical, social and financial support.	3
Improve the lives of 100,000 people in our global community through charitable actions.	Complete	We exceeded our target and impacted 190,000 people.	10
Donate 50,000 products to charitable organisations.	Complete	We exceeded our target and donated 135,000 products.	10
Continue mapping and assessing risk for our tier 2 suppliers.	Complete	We are continually increasing visibility in our supply chain. We published 69% of our nominated fabric and 91% nominated trims suppliers on our website.	8

Diversity and inclusion

We're committed to creating a culture of inclusivity and diversity and shaping our activities around these three pillars:

Positive: Our people and brands power diversity and inclusion.

Inclusive: Everyone feels a true sense of belonging.

Diverse: Striving for better representation across our business to reflect the diverse consumers we serve.

We cultivate an inclusive culture in several ways:

Learning series

✦ Our D&I knowledge series offers our people practical tips on how to be more inclusive in the workplace, covering topics like neurodiversity, disability inclusion, and inclusive leadership.

Supporting young talent

✦ As a business, we're working hard to incorporate diversity and inclusion into everything we do, from our brand campaigns to our recruitment processes. We partnered with The People, a mission-led start-up, to help young people from underrepresented communities break into the world of work. Called the Pentland Collective: the free mentoring programme helped young people from Black, Asian, minority ethnic and underserved communities develop their skills, confidence and network.

"We are proud to partner with Pentland Brands, a company that is engaged and willing to listen, learn and support a new generation of talent from underrepresented communities. I have had the privilege to be a mentee and mentor and it has had a major impact on my personal and professional growth." [Rochelle Livingstone, Programme Manager at The People](#)

✦ We have four networks of passionate people across our global business that drive change and help Pentland become a better place to work: Black Colleagues & their Allies, LGBTQ+ Colleagues & their Allies, a Network for Women & their Allies and a Wellbeing Network. Some of their actions for 2022 included:

- A global anti-racism allyship programme through Show Racism the Red Card. We showcased our diversity work to MPs in UK Parliament.
- Our first-ever Pride celebrations across our global offices, a podcast celebrating Coming Out Day and introducing the ability to add preferred pronouns to email signatures.
- Raising awareness around women-centric issues such as menopause.

"Being part of the Black Colleagues and their Allies network has been a source of pride. A highlight was the amazing collaboration between Pentland and The People, where I, along with leaders from around the business, mentored individuals from ethnic and underserved backgrounds." [Mark Williams, Black Colleagues & their Allies Network](#)

"I'm very proud that Pentland puts LGBTQ+ agenda front and centre, with an employee network that strives to make it a welcoming place for everyone to be their true authentic self." [Louis Kwong, LGBTQ+ Colleagues & their Allies](#)



Equal opportunity

Living wage

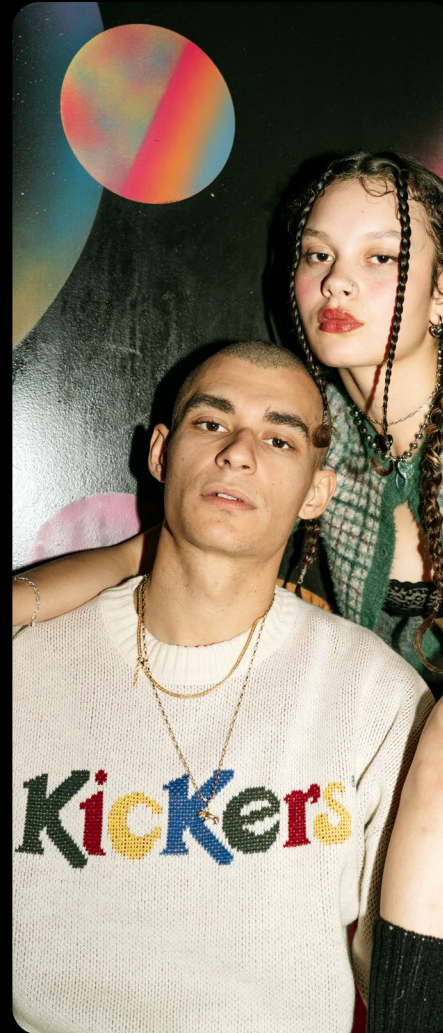
We pay the Real Living Wage, as outlined by the Living Wage Foundation, for people working at Pentland Brands in the UK. This goes beyond the statutory National Living Wage and minimum wage to pay an amount that better reflects the cost of living. We ensure we pay at least the statutory minimum wage for our employees across our global sites. We maintain



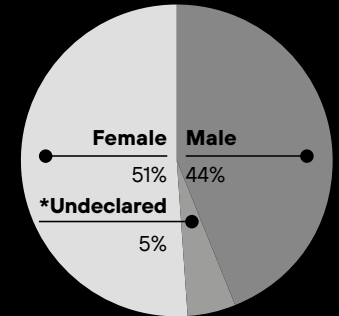
high standards and processes to make sure that pay is determined on a fair and comparable basis, for every role in our organisation. This includes consistent role evaluation processes and internal and external salary and benefits benchmarking for roles.

Gender pay gap

Workplace flexibility impacts gender equality, with data showing childcare responsibilities more likely fall to women. We introduced 'smart' working policies to tackle this so that, wherever possible, we can give people increased flexibility around where, when and how they work, which will ultimately open up more career opportunities, particularly for women. We're mindful that the area to improve is the disproportionate number of men within the director level of our organisation. We are doing this through a combination of continued succession planning, talent pipeline development and external recruitment. See our Gender Pay Gap report here.

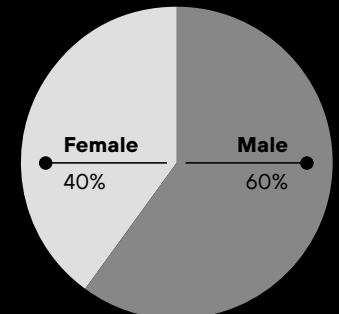


Our people



*The figure represents our employees across our global offices. It excludes 77 people who chose not to share their data.

UK Executive team



*(April 2022)

Health and wellbeing

We understand the benefits of physical and mental activity. We promote physical, mental and emotional wellbeing in many ways.



- + We launched a global wellbeing hub filled with resources to help our people access support for mental, physical, social and financial wellbeing.
- + We are proud to support those going through menopause, hosting interactive talks with menopause experts and providing employee education and training.
- + Expert talks helped raise awareness for prostate cancer mental wellbeing. Our wellbeing hub also offers information and advice on menopause, endometriosis and ovarian cancer.
- + Additionally, all employees have unlimited access to Unmind, a platform dedicated to mental wellbeing.
- + Confidential, 24/7 access to counsellors and information specialists in emotional health, management, legal, debt, elder and younger care and financial advice.
- + Twenty-four employees were accredited as Mental Health First Aiders by MHFA England.
- + Gym access and other great facilities are available at some offices.
- + 'Smart' working to split time between working from home and the office to help our people better manage childcare, wellbeing or personal commitments.
- + We offer enhanced shared parental and neonatal leave and paid time off for women to attend IVF appointments.
- + Volunteering is good for emotional and mental health. With that in mind, we give our people paid time off to volunteer for a cause they care about.



Learning and development

We believe in equipping our people to reach their potential and supporting them in their personal and professional learning journeys through experience, exposure and education.

Talent development

+ We support our people to unleash their career potential in several ways, including offering mentorship and development opportunities for young talent and upskilling our commercial teams with our in-house learning programme. In 2022 we launched a digital-first learning channel to enhance the digital skills of over 600 employees across our global organisation. This progressive learning series helps our people be bold in a digital environment.

Pentland principles

+ We led a global project to reflect on our current culture and help us pinpoint our desired culture. This

helped us build our updated principles, which shape how we behave. One of these behaviours is 'Doing the right thing', which encourages our people, particularly those in leadership roles, to do the right thing even if it isn't the easiest. We're implementing these updated principles in 2023 and will be including them in personal development plans.

Positive business bonus

+ In 2022, we introduced a new approach to embedding positive business across our business. All employee personal development plans now include annual positive business targets. We also changed our employee annual bonus scheme so that, regardless of the sales revenue and profit targets achieved, bonuses are only triggered if the business first delivers its annual positive business targets.



Learning and development

20 years of supporting young creatives

+ Design Pool, our in-house internship programme, has helped emerging talent break into the creative working world for over 20 years. This industry-recognised programme offers an invaluable opportunity to grow their skill sets in a fast-paced, challenging, and rewarding real-life industry setting. We supported 11 young people with work placements through New Designers.



Design Pool builds into the larger creative community by judging creative events, sponsoring awards that develop fresh talent, and linking with inclusive careers companies.

It also works with enterprises, youth charities and schools to help kids and young people explore their creativity. In 2022 it worked with [The National Saturday Club](#) and the [Northern School of Art](#) for a Berghaus masterclass to create recycled litter-picking bags.

We're also part of the UK Government's Kickstart Scheme, which supplies job placements for 16- to 24-year-olds on Universal Credit. We assisted two young people in 2022.

"I see the moment in their eyes when they realise their creativity can turn into a career." Katie Greenyer, Creative Talent and Network Director



Communities

Driven by our goal to improve the lives of one million people in our communities, we support individuals and causes that inspire people to be more active, help communities in need, and reduce our environmental impact. We're proud of our 2022 impact:

+ 190,000+
people supported

+ 135,000+
products donated

+ 1,000+
charities helped

+ 12
global regions

Charity partners

+ We partner with a selection of international charitable organisations to support causes that resonate with our brands' consumers and positively impact the communities in our offices,

supply chain and sourcing market locations. We also offer separate funding to our brands to support charities that reflect their values. Our partners can be seen here.

New charity partner

+ After a charity partner search, we welcomed Room to Read as our new partner. Education is a pathway for gender equality, yet more than 129 million girls worldwide* are not in school. Over the next three years, we'll support two major education programmes in Cambodia, helping around 6,800 children aged 12 to 17 each academic year.

Product donations

+ Our brands continued to support the UK charity, In Kind Direct, with product donations. In 2022 brands donated 18 pallets, or 5 truckloads of stock, worth over £1.4m, to In Kind Direct, who then distributed it to 972 charitable organisations across the UK.

Emergency relief

+ We provided financial and product donations for people impacted by the war in Ukraine and supported over 1,200 people affected by the floods in Pakistan.

Local charity squads

+ Local charity squads, based out of their locations, helped employee-led charitable actions in that area. Highlights include an Earth Day Beach Clean Up with employees out of our Cyprus office; financial donations to Habitat for Humanity in Hong Kong and a textbook and uniform donation to a school close to our Bangalore office in India.



"Taking a few minutes away from my day-to-day role to help local charities makes me feel like we are making small changes to help make the world a better place".
[Juanita Hart, Charity Squad](#)

Workers in our supply chain

Apparel and footwear supply chains are complex and far reaching, making it easier to hide the exploitation of workers. On any given day, 50 million people find themselves in a situation where they face modern slavery.*

We seek to have 100% visibility of our supply chain and strive to build a fair, ethical and transparent supply chain that protects and respects workers' rights and improves working conditions.

We do this through robust policies and governance processes, regular risk assessments and audits, and transparent supplier relationships. We also work together with organisations and businesses from across the globe on industry-wide solutions to continuously improve our ethical trading practices.

One of the tools we use to assess working conditions in our supply chain is the [Sustainable Apparel Coalition](#)

[Facility Social and Labour Module \(FSLM\)](#). In 2022 we encouraged more factories to complete the Higg FSLM verified self-assessment as this helps manage our labour risk. From 2021 there was a 67% increase in the number of tier 1 factories who completed the verified FSLM assessment. As a SAC member, we are encouraging more of the factories we use to the Higg FSLM verified self-assessment within our third party audit programme.

We also provided targeted training for suppliers to train their employees who work in factory-facing roles on health and safety practices, labour laws and the Higg Index FEM and FSLM modules. This helps suppliers better track their progress.



		2021		2022	
		Factories	Annual business volume	Factories	Annual business volume
Tier 1	FSLM self-assessment	44	70%	36	54%
	FSLM verified self-assessment	21	33%	35	54%
Tier 2	FSLM self-assessment	21	48%	35	59%
	FSLM verified self-assessment	13	14%	25	49%

More information can be found in our [Modern Slavery report](#). Find out more about our supply chain model [here](#). View our tier 1 and tier 2 supplier lists on our [website](#).

*Global estimates of modern slavery

Planet

We recognise that we have a part to play in protecting our planet and its natural resources and are actively working on ways to minimise our impact. These actions fall under the WEF Metric of 'Planet'.

Activity	Status	Progress	SDG
Establish a pathway to reduce emissions.	Ongoing	We're currently working to verify our targets.	13
Complete targets for Higg FEM and vFEM for tier 1 and tier 2 factories in our supply chain.	Complete	We exceeded both targets (FEM 70% and vFEM 40%).	12
Complete projects to provide clean and easily accessible water to communities in our sourcing markets.	Ongoing	We started a water project with charity: water in India and completed a water project with Planet Water Foundation in Vietnam.	6
Map out visibility on products in the business to prevent stock reaching landfill.	Ongoing	We have mapped out Europe and APAC and are still assessing North America. Although mapped out, locations are continuously evolving to prevent stock reaching landfill.	13
Increase recycled contents across all plastics used in hard and soft goods and minimise amount of material used.	Ongoing	Our brands continued to integrate recycled contents into product ranges.	12
Plant 7 million trees.	Complete	Pentland Brands and our brands funded the planting of 7.8 million trees with 7.4 million planted.	13

Net zero

Our industry produces 10% of the world's carbon emissions* and the sixth report from the Intergovernmental Panel on Climate Change warns that an increase of 1.5°C can have catastrophic climate consequences.

We recognise that businesses have a crucial role in reducing the impact of climate change. As part of our 100-1-0 positive business goals, we aim to become a net zero business by 2032.



We've joined the Science Based Targets initiative (SBTi) and are currently working to verify our emissions targets. This will validate our transition plans to net zero and provide a clear roadmap to reduce our impact in line with the Paris Agreement goals. We're also making significant investments in tools to support carbon data mapping and tracking in 2023. We're working on reducing our emissions in several ways, including shifting to less impactful packaging, choosing materials and innovating products with lower impact, and trialling circularity solutions, which are detailed in the following pages.

We use the SBTi definition of net zero, which is balancing the amount of greenhouse gas emissions produced against what's removed to reach 'zero'.

*World Economic Forum



Greenhouse gas emissions

To help us reach our long-term goal of net zero, we aim to reduce our greenhouse gas emissions (GHG). We have the most influence over our scope 1 and 2 emissions, particularly in our owned operations in the UK. Although these are smaller in comparison to scope 3 emissions, we can make meaningful changes in reducing them.

Scope 1:

Direct emissions generated from owned or controlled sources (like natural gas and company-operated transport).

Scope 2:

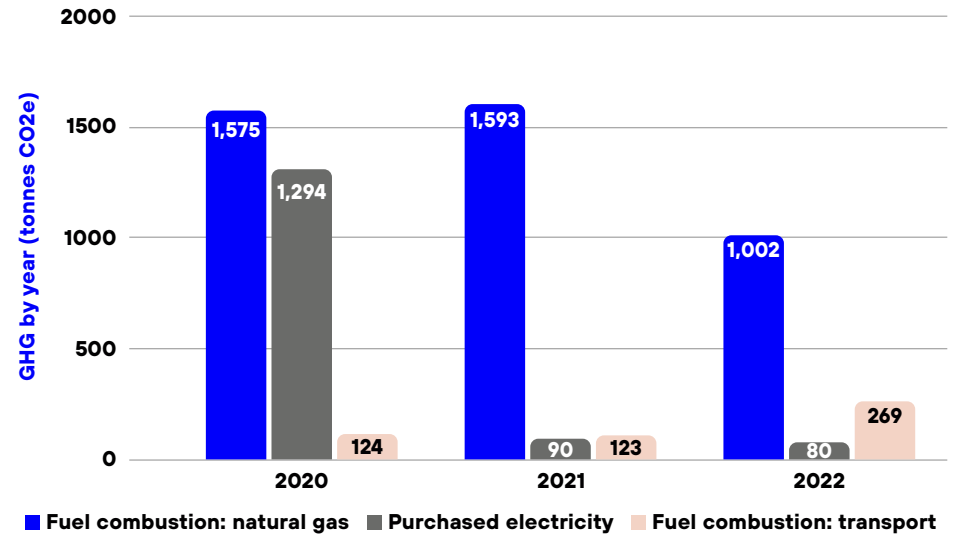
Indirect emissions generated by purchased electricity.

Scope 3:

Indirect emissions from our value chain, from raw materials to customer use.

Our GHG emissions for owned operations in the UK in 2022 was 2,904 tonnes of carbon dioxide equivalent (tCO2e). This increased by 61% from 2021, partly due to increased travel after lifting COVID restrictions and the inclusion of emissions from air, hotel and rail that weren't in 2021's data but were responsible for 54% of our 2022 emissions. This includes all material scope 1, 2 plus scope 3 emissions required to disclosed by the SECR, a UK carbon reporting legislation, and may not reflect the entire carbon footprint of the organisation. Although we currently focus on capturing data in line with UK legislation, moving forward we'll start gathering data from our global regions.

Emissions source



GHG by year (tonnes CO₂e)

Emissions source	2021	2022	Share (%)	YoY variance (%)
Fuel combustion: natural gas	1,593	1,002	35%	-37%
Purchased electricity	90	80	3%	-11%
Fuel combustion: transport	123	269	9%	119%
Air	N/A	1,444	50%	N/A
Hotel	N/A	63	2%	N/A
Rail	N/A	46	2%	N/A
Total Emissions (tCO₂e)	1,806	2,904	100%	61%
Revenue (£m)	344	379.9		10%
Intensity: (tCO₂e per £m)	5.25	7.64		46%

GHG by scope (tonnes CO₂e)

Emissions source	2021	2022	Share (%)	YoY variance (%)
Scope 1	1,678	1,108	82%	-34
Scope 2	0	0	0%	
Scope 3	127	244	18%	92%
Total emissions (tCO₂e)	1,805	1,352	100%	-25%

Energy consumption

Emissions source	2021	2022	Share (%)	YoY variance (%)
Natural gas	8,696,838	5,491,826	49%	-37%
Electricity	4,770,260	4,528,373	41%	-5%
Transport fuel	520,828	1,129,280	10%	117%
Total consumption (kWh)	13,987,926	11,149,478	100%	-20%

* The 2022 emissions figure for purchased electricity above (and used throughout) reflects our investment in a zero-carbon electricity tariff at all our sites. In the terms of the Greenhouse Gas Protocol, this is called 'market-based' reporting - as opposed to 'location-based' reporting. Location-based reporting doesn't take into account the electricity supply contracts a company has and instead uses a national carbon emissions factor for electricity, reflecting the diverse source of electricity generation supplied to the national grid. Following the location-based methodology (which is required to be also reported under SECR alongside market-based figures), our 2022 emissions from electricity were 955.80 tCO₂e (including transmission and distribution losses), giving total annual emissions of 3,779.67 tCO₂e and an intensity of 9.95 tCO₂e per £m revenue. The electricity emissions figure above of 80 tCO₂e is from grid transmission and distribution losses.

Boundary, Methodology and Exclusions

An 'operational control' approach has been used to define the Greenhouse Gas emissions boundary. This approach captures emissions associated with the operation of all buildings such as warehouses, offices, and manufacturing sites, plus company-owned and leased transport. This report covers UK operations only, as required by SECR for Non-Quoted Large Companies. This information was collected and reported in line with the methodology set out in the UK Government's Environmental Reporting Guidelines, 2019. Emissions have been calculated using the latest conversion factors provided by the UK Government. There are no material omissions from the mandatory reporting scope. The reporting period is January 2022 to December 2022, as per the financial accounts.

Offices

The offices we own give us the highest level of control to achieve our sustainability goals. These are predominately in the UK. For our other global offices, we work with landlords to promote our sustainability goals.

Energy

+ We procured 100% renewable energy for electric energy across the whole of our UK estate (Fitco, PDS, Endura, UK offices). Endura's head office in Scotland runs on renewable energy and it installed a solar panel system on its roof to fulfil half of its electricity requirements.



+ We continue to work on energy efficiency initiatives. We switch to LED lights when existing fittings no longer work, and heat and cool our Lakeside location during high occupancy periods.

+ Our electric vehicle salary sacrifice scheme allows senior employees in the UK to lease fully electric cars and plug-in hybrid vehicles. In 2023 we will extend this scheme to all our UK employees. In 2022 we shifted our company car scheme to fully electric or hybrid cars, and so, continue to see our fleet efficiency improve. Our fleet is operating at a low rate of 28g/ km.

Biodiversity

+ We continue to promote and cultivate biodiversity. At our Lakeside office in London we cultivate an environment for small mammals, birds and microorganisms to thrive.

Water

+ There was an increase in water consumption as more people returned to our offices after two years of COVID restrictions. During the 2022 summer heatwave, the water levels of Lakeside's lake dropped significantly. We were allowed to draw water to top up the lake to keep aquatic species alive. We're continuing to review our sustainability initiatives to minimise our water footprint.

Water consumption of UK office locations in 2022

Year to date	m ³ /Day	m ³ /Year
2022	36	13,304



Biodiversity and water

Millions of mangroves

+ Biodiversity is one of the strongest natural defences against climate change.* Our brands have helped plant mangroves across Africa through [Eden Reforestation Projects](#), funding the planting of 7.8 million trees with 7.4 million planted in 2022. Mangroves are unique ecosystems that serve marine life and purify the water. They are also important to rural communities by protecting them against storm surges. Although carbon sequestration rates and stock values vary significantly depending on the planting conditions, as a relatively fast-growing group of species, they sequester carbon at a fast rate.**



+ **7.8 million** 

Freshwater availability

+ The fashion and textile industry puts immense pressure on scarce water sources, and 771 million people worldwide lack basic access to clean and safe drinking water.*** Our brands worked with organisations to provide clean and easily accessible water to communities in water-stressed areas in our sourcing markets. In 2022 ellese funded a water project in India through [charity: water](#) to build piped water systems into homes for communities where people with access to clean water can be as low as 4%. Speedo funded a water project in Vietnam through [Planet Water Foundation](#) that supports 1,800 people annually. We also support three ongoing water projects through charity: water, supporting communities in Cambodia and India.

*United Nations
**Carbon sequestration in mangrove forests
***JMP



Supply chain impact

As a business guided by positive business principles, we strive to improve the lives of people working in our supply chain and reduce our environmental impact. Our goal is to improve our supply chain visibility and have 100% transparency by 2032.

+ We use the Higg Brand & Retail Module to help us better understand and measure our environmental and

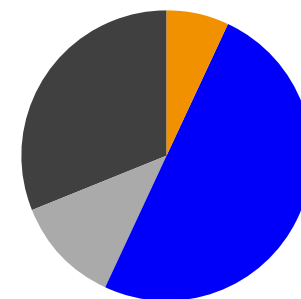
social impact on our value chain. The scores are available to SAC members. In 2022 we didn't get verified.

+ To help us measure our supply chain footprint, we need our suppliers to track their impact. We use the Higg Facility and Environmental Module (FEM) as a tool for our suppliers to measure the environmental impact

of apparel, footwear and textile factories by assessing categories such as emissions, chemical usage and waste. This helps us better understand their holistic footprint and make improvements.

		2021		2022	
		Factories	Annual business volume	Factories	Annual business volume
Tier 1	FEM self-assessment	45	80%	71	87%
	FEM verified self-assessment	30	82%	42	57%
Tier 2	FEM self-assessment	38	45%	56	84%
	FEM verified self-assessment	27	73%	48	81%

Tier 1 carbon footprint by product type
2021 tier 1 CO2e (KG)



- + accessories & equipment | 973,715 | 7%
- + apparel | 6,867,583 | 50%
- + footwear | 1,647,274 | 12%
- + hardgoods | 4,332,664 | 31%

This chart shows the assembly portion and not the total carbon footprint of the entire products. It represents 81% of the production volume for 2021 using the Higg FEM and Higg verified FEM data, excluding Speedo North America and licensee business.

Materials

Our brands continue to work towards a vision of a more sustainable future. They do this by shifting towards more responsible materials, avoiding harmful chemicals, and trialling innovative products that reduce some environmental effects.

+ We help our brand teams learn about a product's real impact through the Higg Product Module training. This progressive tool assesses a product's environmental impacts during its lifetime, looking at its impact from resource extraction, to manufacturing, to what happens to it at the end of its lifecycle. We continued to run training with our brand product teams during the year.

+ We also use the Higg Material Sustainability Index to measure the environmental impact of different materials, including a material's water and carbon footprint.

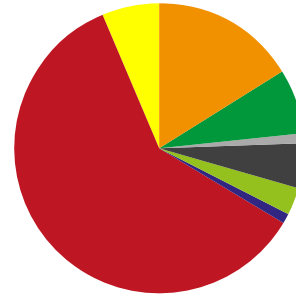
Top 3 fibres - 2022	Tonnes	Lower-impact raw material share
Polyester	2,708	38%
Polyamide / Nylon	764	39%
Elastane	284	/
Cotton	279	48%

*All data on this page includes apparel and swimwear fabrics for Berghaus, Speedo International, Speedo North America, Canterbury (excluding Teamwear) and Endura.



Carbon footprint

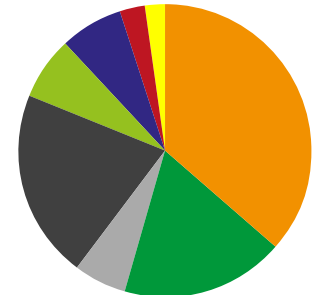
2021 carbon dioxide equivalent (CO2e) volume in kilogrammes



- + conventional polyester | 18,152,092
- + recycled polyester (mechanical) | 8,723,375
 - + polybutylene Terephthalate (PBT) | 2,732,660
 - + conventional polyamide (Nylon) | 10,244,540
- + recycled polyamide (Nylon) | 3,492,587
 - + conventional elastane | 3,269,028
 - + conventional cotton | 1,351,807
 - + organic cotton | 1,078,973
 - + conventional viscose | 16,631
 - + conventional Lyocell | 13,629
 - + tencel lyocell | 21,285
 - + conventional wool | 64,018
 - + polyurethane (PU) coating | 65,456
 - + thermoset polyurethane (TPU) membrane | 4,230
- + polyurethane (PU) membrane | 33,872
 - + PTFE membrane | 194,004
 - + conventional down | 18,137

Water footprint

2021 water (H2O) volume in cubic metres (m3)



- + conventional polyester | 4,980,084
- + recycled polyester (mechanical) | 2,232,387
 - + polybutylene Terephthalate (PBT) | 319,300
 - + conventional polyamide (Nylon) | 1,682,339
- + recycled polyamide (Nylon) | 1,027,534
 - + conventional elastane | 458,376
 - + conventional cotton | 18,411,608
 - + organic cotton | 2,004,445
 - + conventional viscose | 11,531
 - + conventional Lyocell | 7,563
 - + tencel lyocell | 3,236
 - + conventional wool | 4,769
 - + polyurethane (PU) coating | 2,768
 - + thermoset polyurethane (TPU) membrane | 462
- + polyurethane (PU) membrane | 2,266
 - + PTFE membrane | 1,706
 - + conventional down | 6,608

Materials

Our brands continue to progress in their journey of using materials that are lower impact, which means they have less impact on an area than conventional materials. This could be materials made from recycled or organic content. More information on the global organisations we work with to reduce a product's impact can be found on page 41.

Chemical management

+ We prioritise working with materials suppliers who have third-party accreditations in chemical management and manufacturing. Our Restricted Substances List provides guidance of restricted chemicals and we offer advice to our brands to expand into more responsible textiles.



Fabrics	Suppliers	Volume
bluesign® system partner	43%	22%
Oeko-tex® standard 100	71%	54%
one or more of the above	85%	63%

* All brands excluding Endura, Kickers and ellesse. Nominated suppliers only.

Speedo increases recycled materials

In 2022, 61% of Speedo's soft goods products used recycled materials as the main material. Recycled materials were made from pre-consumer waste (waste from left-over textiles) and post-consumer waste (plastic commonly used for single use, transparent plastic bottles). By the end of 2024, Speedo is aiming for every item to have recycled materials as the main material. More details on Speedo's materials can be found on the [Textile Exchange Material Change Index](#).



Recycled materials

2020	2021
5%	61%

*This data excludes Speedo North America and is related to soft goods. Recycled content for a main material varies between 50% and 100%.

In 2022 Speedo trialed and introduced new materials made from recycled materials into even more styles across its competitive, fitness and lifestyle collections.

+ **Eco Enduranceflex** - Made from 100% pre-consumer waste, such as waste fabric from factories.

+ **Eco Endurance+** - One of the two yarns are created from 100% post-consumer waste made from recycled bottles.

+ **Repreve Fabric** - A new 100% recycled polyester base for training ranges. The yarn is made of 100% post-consumer waste made from recycled bottles.



Canterbury tackles sustainability

Without compromising the strength and durability the rugby brand is known for, Canterbury is working towards increasing the use of recycled materials in its products. It's developed an internal sustainability criterion for its products, outlining that a minimum of 75% of the product must use materials such as organic cotton or recycled polyester with no harmful chemicals. Using recycled polyester reduces virgin plastics, and using organic cotton is less harmful to the natural environment it's grown in. It's committed to 50% of its teamwear product range meeting these criteria in 2024 (EMEA total apparel production).

Kickers goes plant-based

Kickers launched a [100% vegan collection](#) offering parents more choice for their 'Back to School' shop without trading quality, price, accessibility or style. The PETA and Vegan approved plant-based material is made from 75% plant-based materials from corn and

cereals (grown for non-food purposes and 100% GMO free) and FSC-certified viscose. The remaining 25% is a synthetic material to ensure durability. This is one of their bestselling ranges, so it can make a significant impact. This material is responsibly sourced and bio-based.

+ Energy: It reduces the energy needed for production from non-renewable sources by 44% more than that of materials that aren't plant-based*.

+ Carbon emissions: This material reduces emissions by 15% compared to other synthetic materials.*

+ CFC emissions: Producing this material reduces harmful Chlorofluorocarbon emissions by 32%*.

*Based on material tests only.



Innovation

Our brands continue to innovate in the area of sustainability.

BLOOM training aids

Speedo has developed a kickboard and pull buoy with BLOOM™. The products are made from 10% algae bloom, with the remainder made from ethylene-vinyl acetate (a polymer material). This algae is cleared from polluted freshwater ecosystems where it would be harmful to marine environments. This renewable material also sequesters carbon. In 2022, Speedo helped turn green water into clean water, with the number of BLOOM products sold equating to:



+ 90,396 litres of clean water returned to the environment / 93,717 M³ of air cleaned capturing 68.3 kilograms of CO₂ for the BLOOM kickboard

+ 259,464 litres of clean water returned to the environment / 268,997 M³ of air cleaned capturing 196.1 kilograms of CO₂ for the BLOOM pull buoy.

Biofuse 2.0 goggles

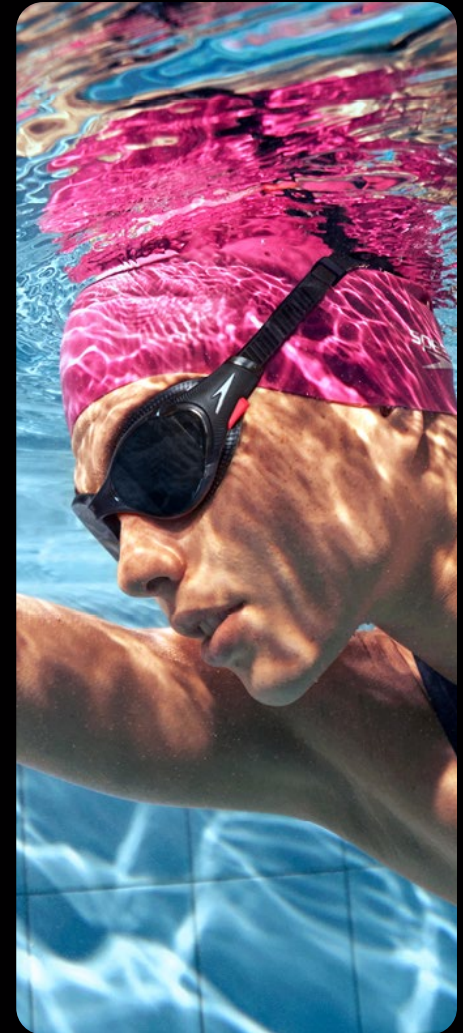
To try to reduce the product's impact on the planet, Speedo has constructed these goggles from materials that use less fossil-based carbons vs traditional plastics. The frame, gaskets and adjustment mechanism are made using bio-based materials – meaning a portion of the materials is derived from renewable raw materials such as sugar cane and castor oil.

The lens, side clip cover and strap holder are made in part using bio-circular materials (originating partially from

bio-waste and residues such as soybean oil), using a mass-balance approach. This means that fossil and bio-circular raw materials are mixed in production, and the total input of bio-circular material is tracked through the production cycle, ensuring an appropriate allocation is given to the material.

The strap currently doesn't use any renewable sources, Speedo is looking at possible solutions to reduce or eliminate the use of non-renewable material sources. The manufacturing partner has switched their factory to be partially powered by solar power, helping to reduce their reliance on fossil fuel.

*Data relates to products sold in the 2022 financial year. Impact calculated by the Bloom Certification System.



Circularity

It's estimated that the fashion industry generates 92 million tons of textile waste every year.* To tackle this, our brands are consciously looking at ways to extend the life of their products and responsibly deal with a product once it comes to the end of its life. We continue to explore ways to reuse resources and close the loop on waste.



Repairs over replacement

+ Berghaus has been working with a design principle of making long-lasting and repairable gear since it started in the 60s because keeping a product in use as long as possible reduces its impact. When gear does get weathered, it offers its customers free repairs through [Repairhaus](#), its in-house repairs service. In 2022 it repaired 6,000 items for free.

Second-life solutions

+ Kickers started working with the preloved platform [Reskinned](#) to offer its customers the option to trade used footwear for online credit. Reskinned resells, repurposes or recycles these products so that nothing goes to waste. The team has multiple textile recycling solutions and is exploring ways to turn old fabrics into new ones through tech investment.

*Fashion Revolution



Packaging

Across our brands, we're working towards integrating packaging solutions that use more recycled materials and lessen the amount of virgin plastic. We also continue to look at our brand's packaging journey and shifting packaging solutions to smarter options. Some progress from this past year include:



Recycled transit packaging

+ Canterbury undertook trials for all packaging and transit packaging to switch to recycled and/or recyclable materials in 2023. Endura started using recycled bags for transit packaging and Speedo started packing products into its recycled bags at the end of 2022.

Swing tags

+ All swing tags used by Canterbury, Berghaus and Speedo are in Forest Stewardship Council (FSC) mixed packaging, which is a 100% recyclable. This means it's made of a mixture of materials from FSC-certified forests, recycled materials, and/or FSC-controlled wood.

Speedo's goggle packaging

Goggles are one of Speedo's highest volume goods, meaning any reduction in single-use packaging or shift to recycled or recyclable materials can make a difference.

Its Biofuse 2.0 goggles are packaged in 100% rPET cartons (Global Recycled Standard certified) and use fully recyclable fitments. Although some of Speedo's other goggles are already packaged in 70% rPET material, it's starting to switch these into this same pack as the Biofuse goggles. Speedo also changed its Biofuse goggle packs to a rectangle shape to fit more goggles into the outer box and switched the fitments from white to dark grey to improve the material quality for future recycling.

These changes to its Biofuse goggles have reduced virgin plastic by 282 tonnes annually. By using fewer cardboard boxes during shipping, Speedo has also saved an equivalent of 278 trees. Speedo aims to eliminate all virgin plastic and for all plastic in its goggle packs to be 100% recycled by the end of 2023.

*rPET is recycled polyethylene terephthalate made of recycled PET that can come from either post-consumer or post-industrial sources.

**This excludes Speedo North America



Prosperity

We build brands and products with a social purpose. We work to create long-term value to society through employment, financial investment, product innovation and taxes. This section covers the Sustainable Development Goals 8, 9 and 10 and the WEF Metric 'Prosperity'.

Employment wealth and generation prosperity

Employment

We seek to attract, retain, motivate and reward our people by establishing and maintaining a suitable, competitive salary and benefit programme, while remaining mindful of our financial responsibility to our shareholders.

To help our people with the cost of living crisis, we applied an enhanced in-year salary increase for our lower earners (applied from July 2022) and a further annual salary increase for all employees from 2023, bringing forward the application from April 2023 to January 2023.

In line with our positive business principles, we have a salary sacrifice that allows senior employees in the UK to lease fully electric cars. More information can be found on page 30.

Economic contribution

We report corporation tax payable in the UK and overseas in our entity

accounts and consolidated group financial statements. We also annually report our total corporate taxes paid and payable across the whole Pentland Group on a country-by-country basis to relevant tax authorities. Our economic contribution in respect of taxation covers business taxes, indirect taxes including VAT, goods and services taxes and customs duties and employment taxes. Pentland Brands was cash generative in FY2022 for the year at £39.6 million year to date (excluding Speedo North America).

Government economic contribution

We received UK Government funding for two new job placements via the Kickstart Scheme (as of April 2022), designed for young people receiving Universal Credit.

Indirect economic impacts

Supply chain delays, the Ukraine invasion and the cost of living crisis all impacted our retail operations in 2022. Lockdowns in China in the first quarter of

2022 resulted in supply chain delays and the invasion of Ukraine by Russia resulted in us pausing our trading in Russia. We worked to swiftly and smoothly mitigate these risks. More information on these risks can be seen on page 17.

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Innovation of better products

All our brands have a social purpose. Our in-house innovation team works to create products that support health, wellbeing and confidence and solve current social and environmental challenges. We have dedicated product development teams to bring these propositions to life.



Community and social vitality

Infrastructure investments and services supported

As we expand our brand portfolio, we invest in new businesses, infrastructures and services. We continued to invest in our India Hub in 2022 with an increase in team resource to increase services provided by the Hub. We also continued transitioning Speedo North America into the business. The sourcing landscape and Pentland's strategy are continuing to evolve. Our teams managing vendor relationships are now based closer to the territories where the vendors are located.

Social investment

Our positive business strategy puts people at the heart. We channel our support through funding, charity work and individual employee contributions. Pentland Brands gives at least 1% of net profit after tax to charitable causes every year through a combination of financial contributions and product donations.

Our budget for corporate responsibility activities is approximately 1% of our business' overheads. This includes industry membership costs that focus on social and environmental sustainability. It excludes individual corporate responsibility initiatives undertaken by our brands.

40



Positive collaborations

Collective efforts are far more effective in bringing about positive change and we work together with global industry partners and companies to affect greater impact.

Memberships and organisations

- + ACT (Action, Collaboration, Transformation)
- + AFIRM / AG
- + American Apparel & Footwear Association
- + Ethical Trading Initiative
- + FESI
- + Leather Working Group
- + Nirapon
- + Social & Labour Convergence Programme
- + Sustainable Apparel Coalition
- + The Microfibre Consortium
- + United Nations Global Compact
- + World Federation of Sporting Goods Industry

Charity partners

Our main charity partners for 2022:

- + charity: water
- + In Kind Direct
- + Lend with Care
- + Making the Leap
- + Oxfam
- + Panathlon
- + Room to Read
- + Unitas Youth Zone

Our resources and policies are available on our website.



Next steps

We're a constant work in progress. In 2023, we'll look to continue building on our actions to take action for people and planet.

Positive business scorecards

✦ We've created positive business scorecards for our vendors to track their ethical and environmental performance. These will help us track progress and measure results more efficiently, leading to a deeper understanding of our progress. We plan to roll this out in 2023.



Supply chain mapping platform

✦ To help us in our goal to gain 100% supply chain transparency and increase our efficiency, we're investing in a new ethical supply chain and mapping software. In 2022 we went through a rigorous evaluation process to select the platform, and we plan to migrate to it in 2023.

SBTi verification

✦ We'll continue our net zero journey by working on verifying our emissions targets with the Science Based Targets initiative (SBTi). This will provide a clear roadmap to reduce our impact in line with the Paris Agreement goals.











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To find out more about corporate responsibility
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or visit our [website](#)

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