



Mr D Meyfroot
ABVV Textiel – Kleding - Diamant
Barrierestraat 13
8200 Brugge

Zele 22 December 2011

Dear Mr. Dominique Meyfroot,

Further to your letter dated November 19th, first of all we would like to state that Ontex Türkiye has never terminated any employment contract of its' employees due to union activities and we think you might have been misinformed regarding the events (happened).

Ontex Türkiye is extremely respectful to union rights of its employees and in this respect it constitutes a good example amongst the companies in Turkey. It is known that collective bargaining agreements are being implemented in Ontex Türkiye since 23 years and in this respect it is one of the leading companies in its sector.

The last collective bargaining agreement to be effective between the dates of 01.01.2011-31.12.2012 was agreed on 11.02.2011 by Ontex Türkiye and Selüloz-İş. Under the mentioned 11th period collective bargaining agreement, all social benefits of the employees with respect to previous years are preserved and it has been implemented an increase of approximately 15% to wages and an increase of approximately 17% to social benefits even though the inflation rate in Turkey is 6.4%. In other words, Ontex Türkiye put the best effort and reflected it under the collective bargaining agreement signed on 11.02.2011 in order to provide its employees better living and working conditions.

However, after the execution of the collective bargaining agreement between Ontex Türkiye and the Union, certain employees have refused the signed agreement claiming even that their Union has not taken into consideration their requests. They have then caused events which are unlawful and even having criminal nature. Indeed, they tried to impede the entrance of the employees to the workplace, tried to impede the employees coming to the shift, hinder and stop the production at the workplace, took provocative actions with this purpose, distributed a manifest against Ontex Türkiye and Selüloz-İş with strong negative expressions and called the employees to stop working. By acting in such way, those employees have violated Article 45 of Collective Bargaining Agreement, Strike and Lock Out Law numbered 2822 and Article 25 of the Labor Law numbered 4857. Therefore, Ontex Türkiye has terminated with just and lawful cause the employment contracts of those employees who have taken such illegal actions and the lawsuits initiated by such employees are still pending.

It is clear that no employer nor union would accept and admit such illegal activities impeding the production of the company. Also, during the discussions with Selüloz-İş Union, union representatives have stated to Ontex Türkiye verbally many times that such illegal activities impeding the production of Selüloz-İş Union and Ontex Türkiye are not acceptable at all and these are occurred out of their control.



Lastly, we would like to mention that those former employees have carried out many further illegal and criminal activities which are not consistent with a sincere reemployment request i.e. defame, insult, denigrate Ontex Türkiye and its managers, defame Ontex Türkiye's products, give untrue and misleading information regarding production methods and products, illegally use on the internet and media ONTEX, CANBEBE, CANLEYDİ, CANPED, HELEN HARPER registered trademarks, cause the company tangible and intangible losses by calling for the boycott of the products of the company.

In conclusion, we would like to state again that no employment contracts of any employee have been terminated due to the union membership. Ontex Türkiye is an employer which has been working with harmony with Selüloz –İş since 23 years and it will not be accepted that a handful of former employees are disrupting the constructive dialogue installed with the Union and are carrying illegal actions against the company. Although Ontex Türkiye is a leading employer in settling disputes with peaceful methods, it will for sure take all required legal actions against all these illegal activities as any company would do so in this case. This case is still pending in Court.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Michael Teacher".

Michael Teacher
CEO