



We operate to the highest ethical business and employment standards across our global operations.

We are the world's leading player in industrial threads and textile crafts products, and the second largest global zip manufacturer.

Our products are part of the fabric of everyday life: from sewing and needlework products, clothing, accessories and furniture to fibre optics and healthcare items.



At Coats we understand that responsible business practice has to be core to everything we do. I am proud to lead our CR programme.

Rajiv Sharma
Group Chief Executive



RECENT HIGHLIGHTS

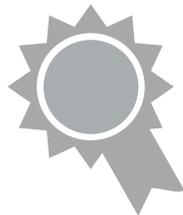
SAFE PRODUCTS FOR >18 MILLION ORDERS

Our products are sold in more than 100 countries and last year we again had no product safety related issues.



HIGH LEVEL OF EMPLOYEE ENGAGEMENT

99% of employees took part in our 2017 global survey and 92% think that Coats is a responsible company. Our average employee engagement score was 83%, keeping us in the top 10% of all global surveyed companies.



DIVERSE WORKFORCE

Our global workforce of 19,000 comes from diverse backgrounds. Over 40% of our workforce are women and 68 nationalities are represented, with 43 of these in our senior management group.



SIGNIFICANT REDUCTION IN EMISSIONS

In 2017, the carbon footprint of our manufacturing operations was 311,000 tonnes, down 17% compared to 2011, our new base line. This was a decrease of 2% over 2016 despite an 8% increase in orders for manufactured goods.



RECYCLED PRODUCTION

Our EcoVerde industrial threads and zips are made from recycled polyester taken from used plastic bottles. Launched the first ever 100% post-consumer recycled core spun thread, under the EcoVerde brand family.



GOOD SAFETY RECORD

In 2017 our global incident rate was only 0.55 reportable incidents per 100 full time employees. This is much lower than the latest average of 3.2 for US textile mills.



18% REDUCTION IN WATER USE

In our continuing efforts to be more efficient and where possible to reuse our waste water, we reduced our water use by almost 18% since 2011 to 8.04 million cubic metres.



GLOBAL SUPPLIER ENGAGEMENT

Since 2016, over 97% of our suppliers have been informed about our supplier code through a series of workshops and communications, held in more than 15 countries.





With Coats' track record of being a responsible business, we are building on the advances we have made to date.



OUR SEVEN STRATEGIC THEMES

Our seven strategic themes in action



OUR STANDARDS

Ethics, Responsibility and Governance

- Our global Ethics Day reinforced our programme for 'Doing the Right Thing', sharing views across the world with all our employees.
- All 4,500+ senior employees and those with external facing roles have been trained in ethics, anti-bribery and corruption, and competition policies and laws.



OUR PEOPLE

Employment practices, Health and Safety, Training and Development

- Our incident rates are nearly 83% lower than the latest average reported by OSHA for US textile mills.
- Minerva, our new online digital platform provides over 700 resources and is accessible to more than 5,000 people worldwide.
- Over 4,000 of our employees took part in Diversity & Inclusion initiatives during 2017.



OUR PRODUCTS

Customer Health and Safety

- Our Manufacturing and Product Restricted Substances Lists (RSLs) incorporate the requirements of all the major internationally recognised environmental standards (e.g. REACH, Oeko-Tex, CPSIA).
- Developed and launched the first ever 100% post-consumer recycled core spun thread, under the EcoVerde brand family.



OUR MANUFACTURING

Water, Energy and Transport, Materials Use

- Achieved a 3% reduction in the energy consumption per unit of production in 2017 vs. 2016 and >20% reduction in the last 5 years.
- Continued to reduce our water usage per kg of dyed product by 6% compared to 2016 through improvement in process technology.



OUR ENVIRONMENT

Effluent, Emissions, Waste

- Greenhouse gas, as measured in kilos per kilo of dyed product, went down by over 5% in the last year. This reflects both reduction in energy use and more use of renewable energy.
- Our effluent discharge standards go well beyond the legal limits.



OUR PARTNERS

Ethical and Sustainable Trading

- Carried out over 30 face-to-face supplier engagement workshops across 15 countries, targeting over 80% of our key suppliers and carried out more than 100 audits during 2017 across five high-risk locations.
- 63% of the economic value generated from our products is distributed to our suppliers.



OUR COMMUNITIES

Being part of the communities in which we operate

- Completed 140 community plans in 2017 with almost 7,500 volunteer hours dedicated to the communities in which we operate.

For more on our approach to Corporate Responsibility and detailed reporting against our seven strategic themes see our website www.coats.com/corporateresponsibility