



PIONEERING A SUSTAINABLE FUTURE:

RAISING OUR AMBITION

*Sustainability Report 2020
Executive Summary*



PIONEERING A SUSTAINABLE FUTURE



Achieve a **40% reduction in water** used for thread production by 2022

WATER

Source **Renewable Energy** where feasible

Reduce energy use within manufacturing by **7%** by 2022

ENERGY

Achieve **ZERO DISCHARGE OF HAZARDOUS CHEMICALS** effluent standards by 2022

EFFLUENT & EMISSIONS

All **employees** involved in community activities

Achieve **'Great Place To Work®'** or equivalent award for all key sites by 2022

SOCIAL

Achieve a **25% reduction in waste** by 2022

By 2024 all our premium polyester thread will be made from **100% recycled PET**

LIVING SUSTAINABLY

We are proud to maintain our place in the FTSE4Good Index for the



FTSE4Good

3rd Consecutive year

We have been a **participant** of the



United Nations Global Compact

since 2019, aligning our strategy to the 10 Principles on human rights, labour, environment & anti-corruption

We promote action to help deliver the **2030 Sustainable Development Goals**, and have identified those that align to our strategy



COATS CLIMATE CHANGE COMMITMENT



An Existential Crisis

Coats recognises the scale of the Climate Change Challenge. We are determined to transition Coats to a low carbon model by reducing our emissions across our supply chain, in line with 2015 Paris Climate Change (COP21) Agreement.

As of January 2021 we are now committed

To set

Science Based Targets at 1.5°C

And to reach

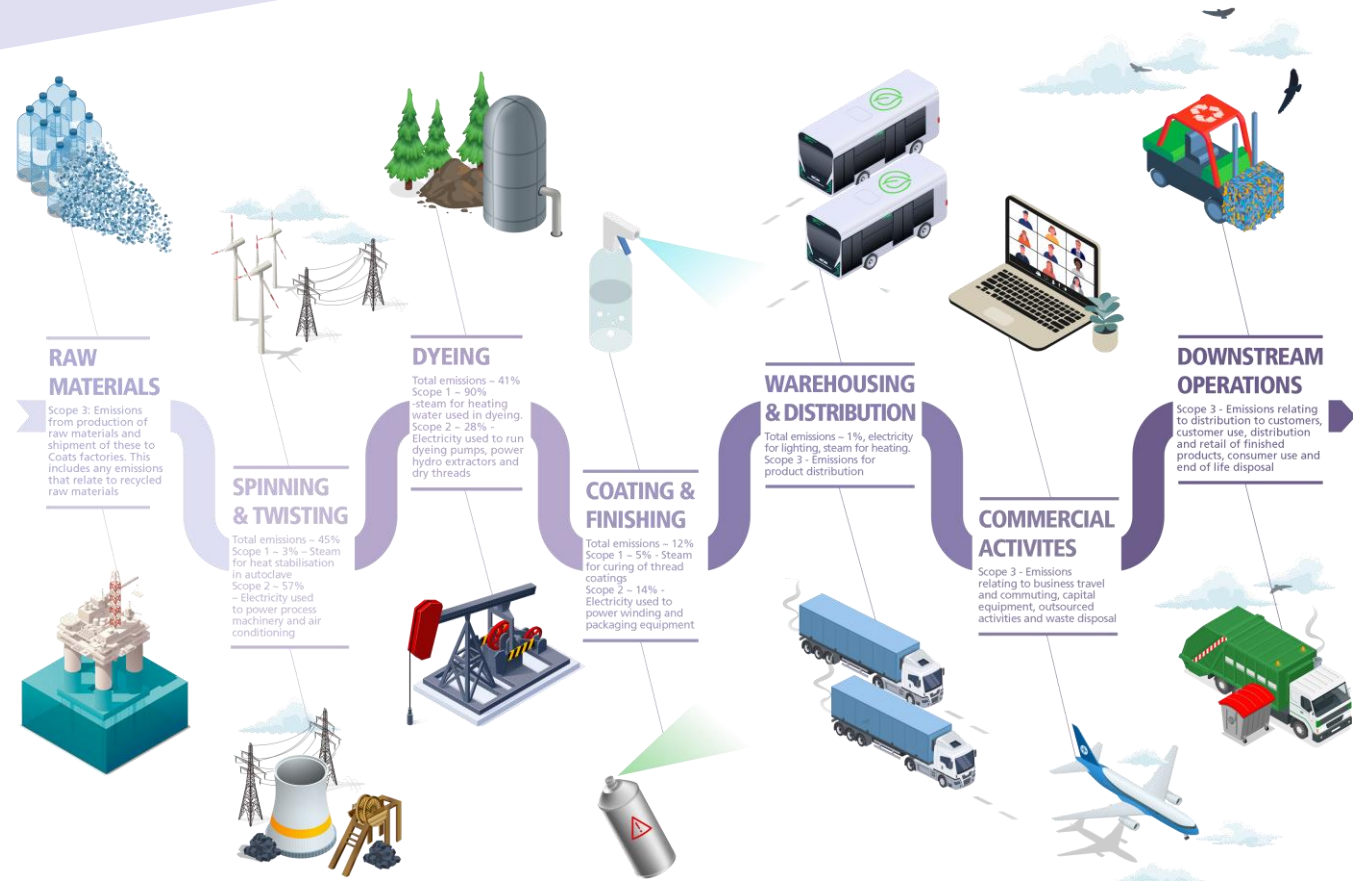
Net-Zero emissions by 2050



SCIENCE
BASED
TARGETS



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



SCOPE	EXPLANATION
Scope 1	Direct emissions from onsite activities – This is where we are burning fuel on our sites to produce energy. This is mainly done in boilers using natural gas or oil to produce process steam. In some sites we also burn fuel to generate electricity. We also use small amounts of fuel for transport purposes on our sites
Scope 2	Indirect emissions from onsite activities – This is mainly where we are buying electricity that has been generated by a third party and hence we have not directly caused the resultant emissions. In some locations we are supplied steam from a third party and hence this is also a scope 2 emission
Scope 3	All other indirect emissions relating to our business – This includes the emissions caused by the production and shipping of the raw materials that we purchase and use, the manufacture of our capital equipment, the disposal of any wastes from our operations, business travel and commuting, the proportional emissions from customer use of our products, the retail and sale of finished items made using our products, consumer use of items containing our products and end of life disposal of the same

COATS GLOBAL CIRCULARITY



We are developing our thinking away from linear processes

THE LINEAR ECONOMY MODEL



THE CIRCULAR ECONOMY MODEL



We are committed to play a role in circular supply chains of the future by developing threads to be a part of the solution to garment recycling. Coats is now a Network member of the **Ellen MacArthur Foundation** – The world’s leading network for a circular economy.

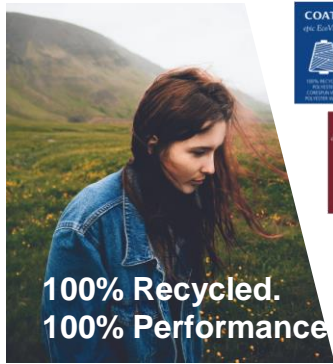
SUSTAINABLE SOLUTIONS



Globally available premium quality sustainable product ranges

We are continually growing our supply chain of sustainable materials to develop our range of products that provide more sustainable solutions.

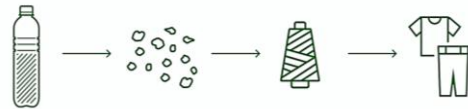
ecoVerde PRODUCT RANGE:



100% Recycled.
100% Performance



Threads, yarns, zips & interlinings



TRE CERCHI PRODUCT RANGE:



100% Sustainable Cotton.

