

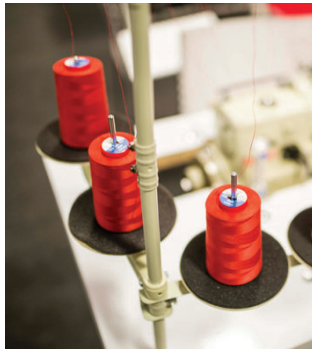
Business model

HOW WE CREATE VALUE FOR OUR CUSTOMERS

Our purpose of connecting talent, textiles and technology to make a better and more sustainable world drives how we operate and create long-term value.

SPEED

Speed to market is critical in an industry where lead times are short and getting ever tighter. Owing to our agile supply chain and customer-centric operational footprint, we provide customers and brands with the flexibility they need to stay relevant in a fast-moving world.



PRODUCTIVITY

We employ the latest in Lean Six Sigma and other improvement methodologies to ensure a continuous cycle of improvement and delivery of operational excellence.

This enables us to reduce costs, helping to offset inflation whilst maintaining excellent customer service.

AN EXCELLENT CUSTOMER PROPOSITION AND OUR MARKET-LEADING POSITION CREATES VALUE FOR OUR CUSTOMERS, GIVING COATS A COMPETITIVE ADVANTAGE



INNOVATION

We have a longstanding culture of innovation. Our Innovation Hubs are spaces to collaborate with customers, in which we develop new solutions to solve their problems and improve their finished products. Our innovation capabilities have been further enhanced with the opening of our brand new sustainability hub in Madurai, India.



QUALITY

We manufacture to high ethical, labour and environmental standards whilst delivering consistent colour and exceptional product quality. Our products are tested and measured against globally consistent, stringent safety standards.

RELIABILITY

Our track record for reliability and excellent technical customer service allows us to partner with leading global retailers, brands and manufacturers.



SUSTAINABILITY

A key element of our purpose is to create a better and more sustainable world. It is not just what we produce, but how we produce it. Coats has been a leader in setting sustainability strategy within the industry since we launched 'Pioneering a Sustainable Future' in 2019. We also gain competitive advantage by helping customers to improve their own supply chain sustainability credentials. In 2022 we advanced our ambitions, acknowledging the impact that our industry has on the environment, and our part in taking responsibility for this. We have set very ambitious sustainability targets across energy, materials, water, waste and people. These complement our market differentiating EcoVerde product range. See our [Sustainability Report](#) for details.

Business model cont.

HOW WE CREATE VALUE FOR OUR STAKEHOLDERS

EMPLOYEES

We are a proud employer of >15,000, highly engaged, committed and diverse permanent workforce. Whilst driving a high-performance, solution-focussed culture, we are committed to the health, safety, rights and well-being of our employees. We champion diversity and inclusion across the Group. This is reflected in our GPTW® certification.



>15,000 PERMANENT EMPLOYEES GLOBALLY

CUSTOMERS

We put our customers at the centre of everything we do, helping them to solve complex problems as their expectations evolve, we continually drive towards responsibly sourced, sustainable products.

>30,000 GLOBAL CUSTOMERS



SUPPLIERS

We look for the right balance of global, national and local capabilities to maintain supply chain agility.

\$0.8 BILLION DOLLARS PAID TO SUPPLIERS



INVESTORS

We are committed to delivering superior returns and long-term, sustainable value for our investors.

2.80c TOTAL DIVIDEND FOR 2023

ENVIRONMENT

We recognise the need to protect our environment and are committed to achieving our climate goals that align with the global efforts to ensure a positive and sustainable future for all.



COMMUNITIES

Coats is committed to being a good corporate citizen and an active member of the local communities in which it operates. In our journey towards fostering a culture of care, we introduced the 'Coats Cares' Programme which is designed to shine a light on the incredible CSR efforts of our colleagues on both a global and local scale.



11,000+ EMPLOYEES ENGAGED

A high turn out of employees attending and participating in volunteering initiatives.