

Sustainability Committee report

SUSTAINABILITY COMMITTEE REPORT



Committee membership

Member	Meeting attendance
David Gosnell, Chair (Chair since December 2021)	
Member since 2021	2/2
David Paja Member since 2024	2/2
Hannah Nichols Member since September 2025	2/2
Sarah Highfield Member since 2024	2/2
Fran Philip Member since 2021	2/2
Pasquale Abruzzese Member since January 2025	1/2
Adrian Elliott Member since 2024	1/2
Frederic Verague Member since 2024	2/2
Christopher Dearing Member since 2024	2/2

Principal objective of the Sustainability Committee

- To provide strategic oversight and monitor the execution of the Company's sustainability strategy and initiatives.

Key responsibilities

- To oversee, review and provide input as required to refine, enhance and accelerate the progress of the Company's sustainability strategy, projects and targets.
- To elicit and provide external experience and insights from other companies and industries.
- To provide input as required and appropriately monitor the environmental and employee engagement-related social elements of the Company's ESG activities.

Dear Shareholder,

I am pleased to present the Sustainability Committee report for the year ended 31 December 2025.

This report provides a high level summary of how the Committee has discharged its responsibilities during the year. Further information on each of the areas covered in this report is available in the Sustainability Report (see coats.com) and the TCFD section of this report (see page 178).

Membership

The Committee membership comprises the Chair of the Board, the Group CEO, two independent Non-Executive Directors, the Apparel CEO, the Footwear CEO, the Executive Lead of Group Strategic Initiatives and the Group Sustainability Director. On 16 September 2025, it was announced that Hannah Nichols (Group CFO) would join the Committee.

This composition provides an effective balance of Board and senior management oversight. The Board is satisfied that the Committee collectively has the skills and experience needed to advise it appropriately.

The Committee met twice during the year, and a separate Board session was held as part of the Strategy Day to review progress to date and determine further actions required to meet our 2030 targets.

Key Areas of Focus

In 2025, the Sustainability Committee focused on overseeing strong progress against the Group's sustainability targets, including the

early achievement of key Energy, Waste and People goals. It also refined the materials transition strategy to better align with long-term Scope 3 emissions reduction.

The Committee reviewed and approved a more commercially-viable pathway to meet the 2030 SBTi Scope 3 target and to advance supplier decarbonisation through expanded engagement and adoption of standardised measurement tools. It continued to monitor development of the Group's Net Zero transition plan and reviewed enhancements to climate-related disclosures in external publications.

The Committee also assessed evolving regulatory requirements, including CSRD and Digital Product Passports, to understand short-, medium- and long-term implications and evaluate preparedness. To ensure continued strategic focus, the Committee considered current ESG ratings performance, investor expectations, and regional sustainability outcomes. Targeted Committee training was provided, particularly in relation to CDP.

Effectiveness

An external Board and Committee performance review was undertaken during the year (see page 59) which included recommendations for some further enhancements but concluded overall that the Committee continued to perform effectively.

David Gosnell
Chair, Sustainability Committee

4 March 2026