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President: Jörg Hofmann General Secretary: Valter Sanches

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Rajiv Sharma Group Chief Executive COATS Group PLC 4 Longwalk Road, Stockley Park, Uxbridge, UB11 1FE rajiv.sharma@coats.com; communications@coats.com

Calling on COATS to intervene at plant in Honduras to ensure reinstatement of six union members

Dear Mr. Sharma,

I am writing again on behalf of IndustriALL Global Union, this time to draw your attention to a situation that has arisen at your plant in Honduras.

We have been advised by the union at the plant, the Sindicato de Trabajadores de la Empresa Coats Honduras S.A. (SITRACOATS) and its trade union centre CGT that on 24 September 2020 the company laid off fifteen workers on the grounds of low production levels. The union objected to the decision based on the lack of consultation with the union as required in the collective bargaining agreement (CBA).

Article 11 of the CBA states that in the case of staff restructuring, the company will provide in advance the list of workers selected for dismissal in order to allow the union to identify any union members; all things being equal, union members shall have priority in employment over non-union members.

We are concerned to note that many of those selected for dismissal were in fact union members. In addition, one is in poor health as a result of a workplace accident; his case is still being processed by the social security institute.

The union raised the matter on several occasions with the company, but were told that such decisions are not in the hands of local management. Six workers are now seeking reinstatement through the labour authorities. The workers in question are Ricardo Rivera Valle, Juan Alexander Aguilar Herrera, Orlin Alexander Zavala, Elvin Ariel Maldonado Prado, Quintín Boneiqui Alvarado Zavala, and Marlon Adán Gámez Villalobos.

The union stresses that it has developed a positive relationship with the company, and that resolving the case of these six workers would be positive move in strengthening that relationship.

We are therefore elevating this matter to you at the global level and we urge you to use your good offices to ensure the reinstatement with back-pay of the six workers who were dismissed in violation of the CBA.

Sincerely,

Valter Sanches, General Secretary