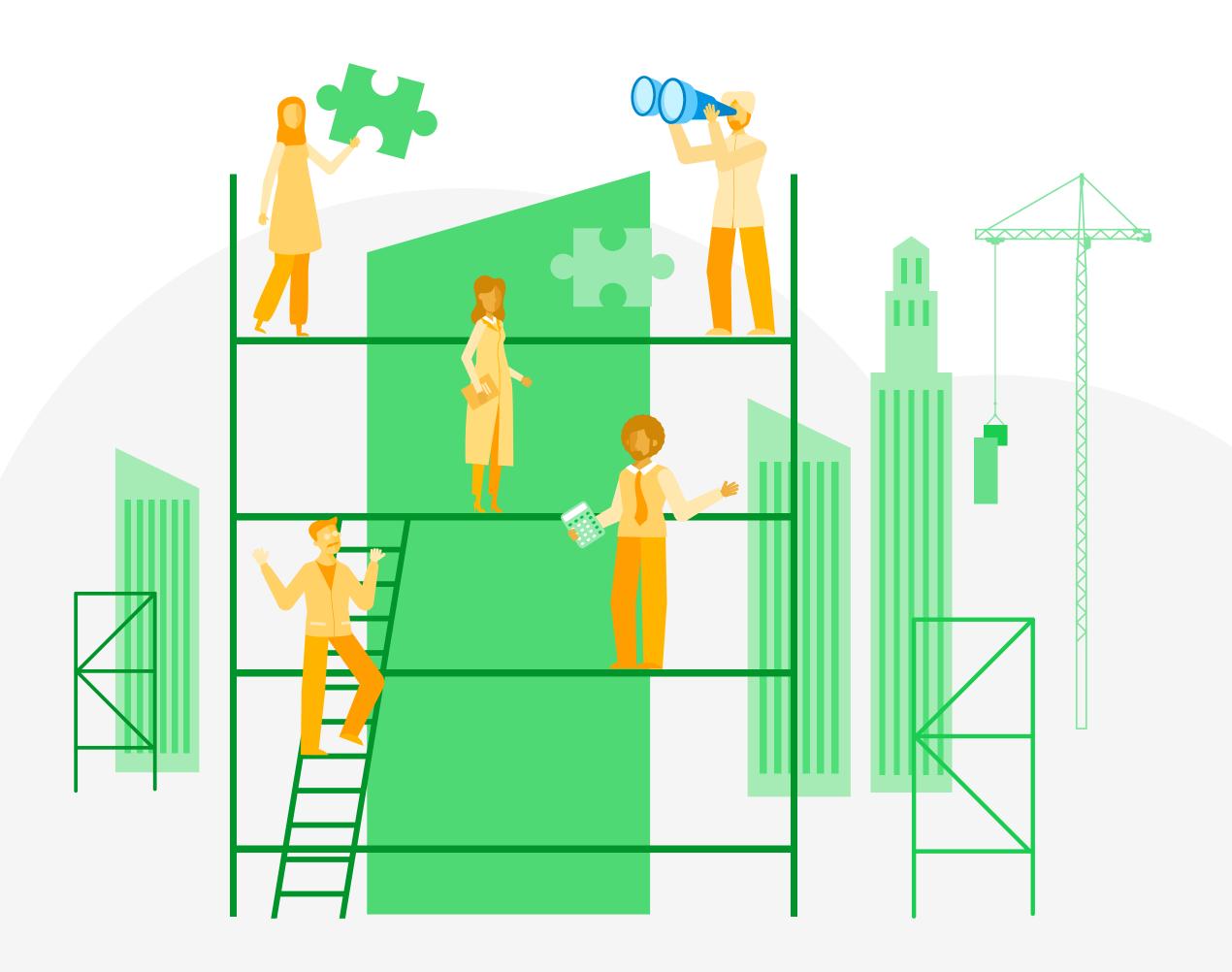




Small business builds big future for Thomas Kneale:
The benefits of reassessment with EcoVadis



Thomas Kneale is a UK-based textile company specializing in the manufacture and distribution of contract bedding, fire retardant fabrics and household textiles. With over 75 years of experience, the business has learned how to adapt and develop in today's market whilst retaining their core values of trust, service, quality and accountability.

As a small company with one office, Thomas Kneale has been consistently surpassing expectations on their sustainability journey, having received 3 EcoVadis Gold Medals since their first assessment in 2019. The company's ongoing investment into leading sustainable practices has propelled them into the top 5 percent of companies in their industry group.



**70** EcoVadis Rating



#### **Key 2023 Figures:**

Company size

XS

Headquarters

UK

Global customers

600

Number of employees

20



# Where it all Began

Sustainability is a journey - we have been actively working on it for around 8 years and recognize we are far from the finish line we wish to reach."

For Thomas Kneale, sustainability has been a longstanding part of the agenda, with the company working since 2015 to integrate an actionable and detailed sustainability strategy into everyday business objectives.

Their story with EcoVadis began in 2019. Although Thomas Kneale was already committed to engaging in sustainable practice, having calculated their baseline carbon emissions and set targets with the SME Climate Hub, the company was and remains eager to grow on their sustainability journey.

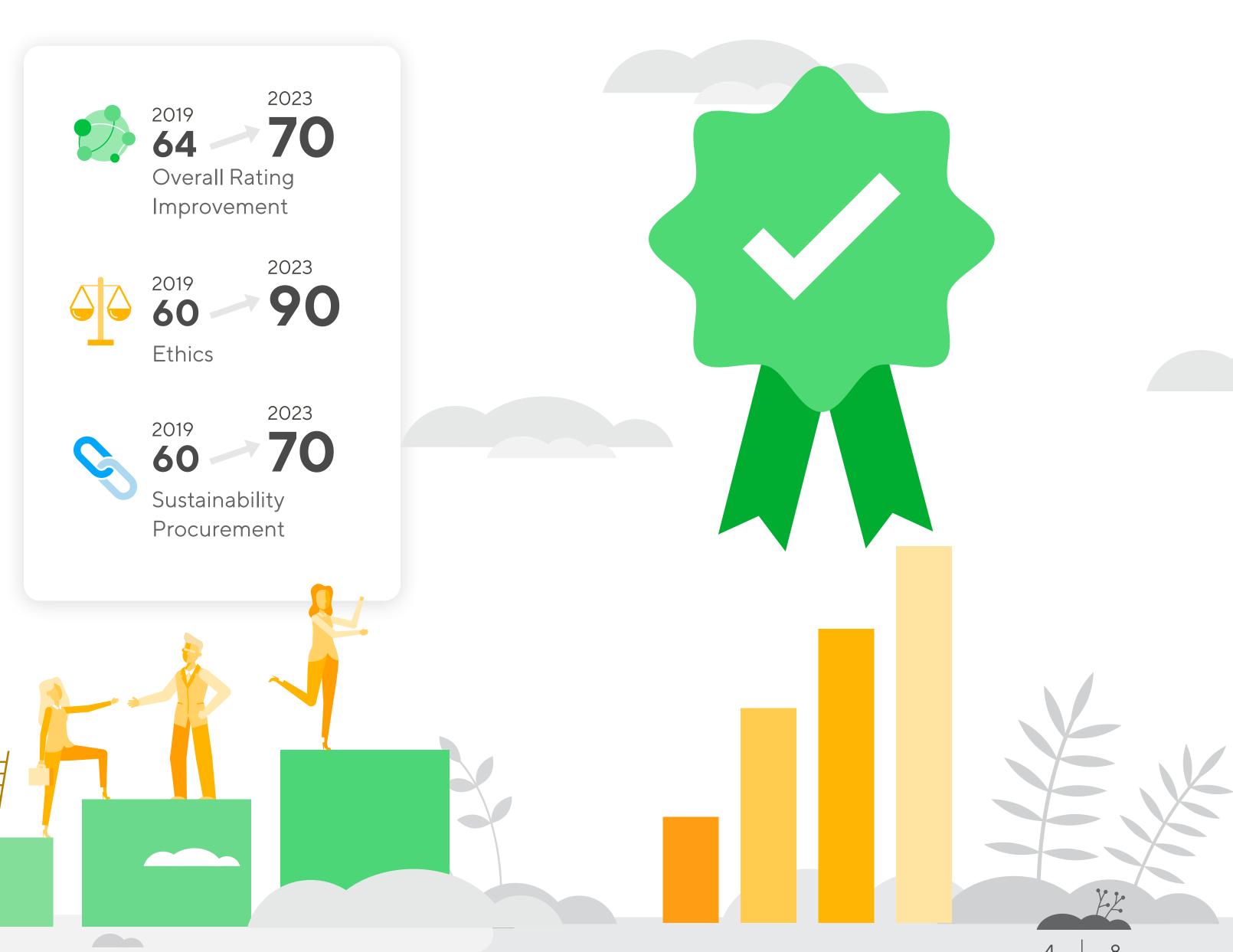
Since working with EcoVadis, Thomas Kneale has been using their scorecard to help identify areas for improvement and opportunities for expansion of existing sustainability initiatives.

This feature, in conjunction with expert guidance in the form of action plans, the sustainability assessment report, and learning tools such as the EcoVadis Academy, has proved "invaluable" in the development of the company's sustainability roadmap.



# The Value of Reassessment

Even though the company received a Gold Medal after their first assessment in 2019, Thomas Kneale made the decision to go through the reassessment process again in 2021 and 2022. Reassessment means that businesses can strive for continuous improvement with annual monitoring and consistent support. For Thomas Kneale, reassessment gave the company an opportunity to showcase new sustainability initiatives that increased their Ethics rating by 50% within just 4 years. The introduction of independent third-party factory audits was a key contributor to this improvement. These audits enabled the company to take an evidence-based approach to modern slavery and go beyond a company statement.



# **Putting People First**

Employee care and wellbeing is a priority for everyone at Thomas Kneale. The company has taken huge steps towards creating a more diverse and inclusive workplace, implementing DEI centered strategies to support and uplift underrepresented groups. The company has also begun to publicly disclose DEI metrics concerning underrepresented groups in senior leadership roles and their efforts to support the long-term unemployed. These metrics will continue to be shared with stakeholders to ensure transparency and demonstrate their commitment to DEI.

When it comes to talent sourcing, Thomas Kneale works exclusively with a social recruitment enterprise focused on placing individuals, including the long-term unemployed, those with disabilities, and young people, into the workplace. Additionally, the company recently registered as a member of the Kaleida group – a fully inclusive B2B Marketplace connecting Buyers to Diverse Suppliers. Thomas Kneale wants to establish themselves as an ethically and socially responsible supplier and joining the Kaleida group is just one example of how the company is actively working to connect with organizations led by diverse individuals.

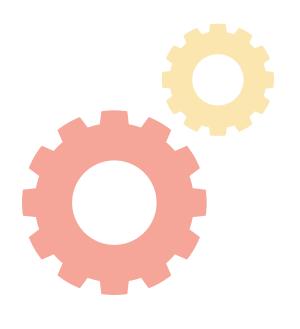
In 2015, Thomas Kneale enrolled to become a Living Wage Foundation Employer, to ensure all employees are equipped for the real cost of living. The company argues that not only is this the right thing to do, it makes real business sense as well. For employees at Thomas Kneale, recognition for their efforts in the form of financial support has boosted motivation and fostered a greater sense of commitment to the organization.

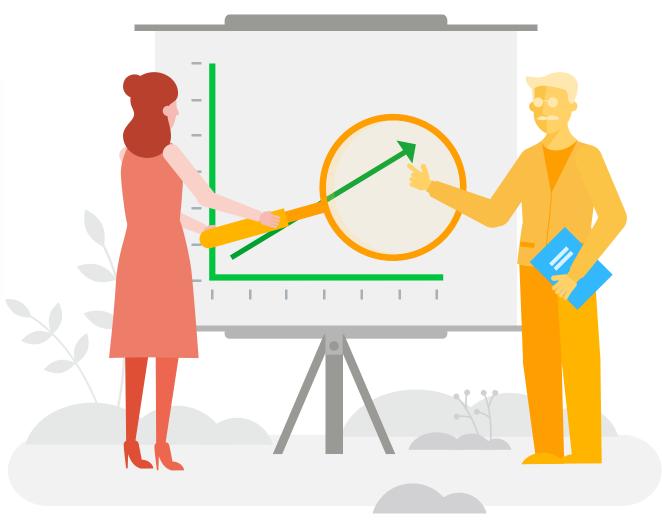
Since becoming a Living Wage Employer, Thomas Kneale has seen:





Thomas Kneale & Co Ltd became an Employee Ownership Trust (EOT) in November 2023, giving its highly valued colleagues ownership of the company.

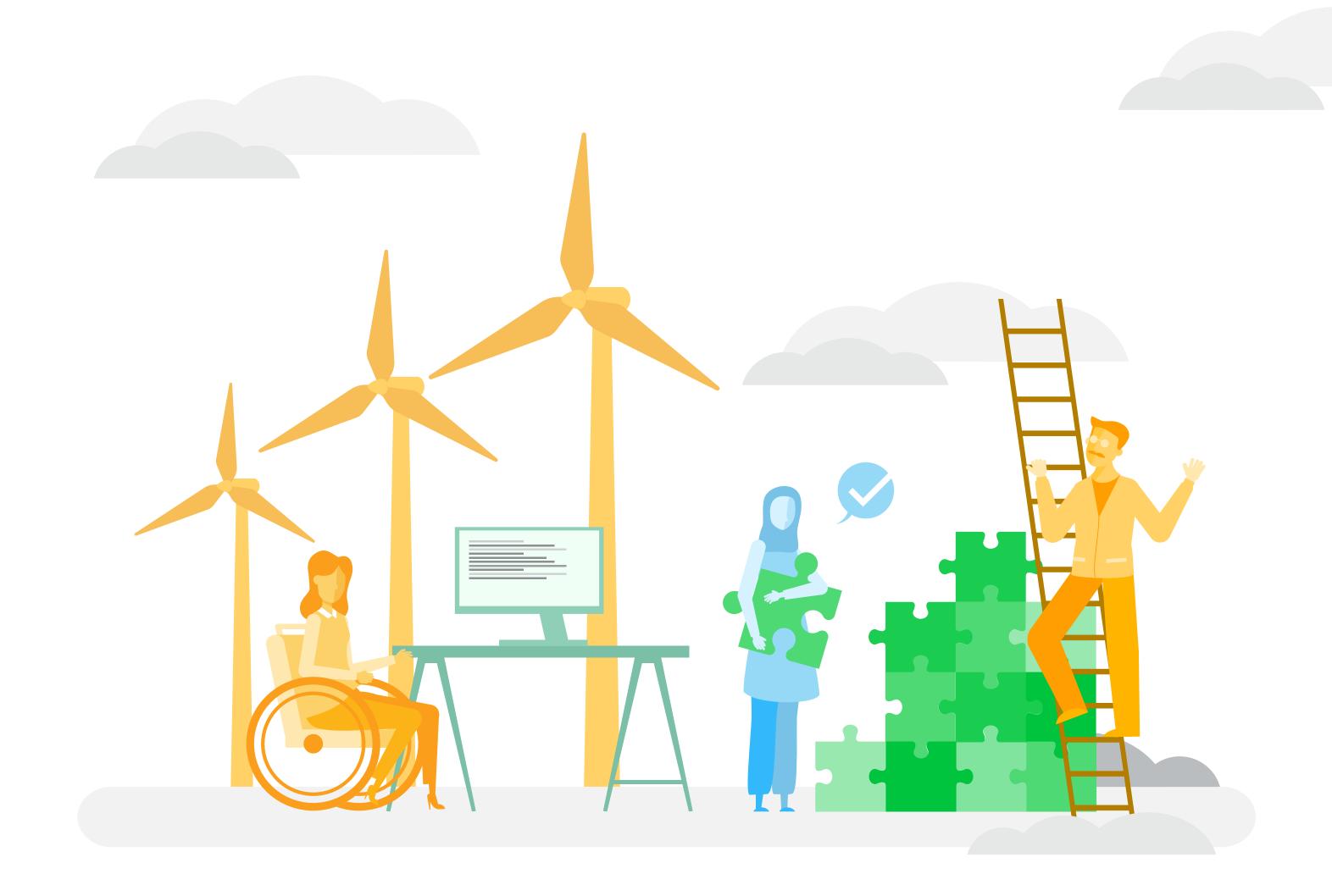




Last year, Thomas Kneale became one of the first 50 companies in the UK to commit to Living Hours, a scheme that ensures a secure number of hours and they also offer full-time permanent employment for all colleagues. As a result, the company is able to run and maintain low recruitment and training costs. They are also able to support colleagues with above-market average remuneration, frequently adding cost of living good-will payments to salaries.

While there remains a tremendous volume of work being done in-house with regard to employee care, this support extends to schools and charities. Having been based in Manchester for over 75 years, the company has a well-established relationship with surrounding communities, employing people from the area, and contributing to its economic development.

As a company, we have built up sector knowledge and have a wide-ranging skill set which is why we felt it was important to share our experiences with young people in Education."



# Steps Towards a Sustainable Future

Since engaging with the <u>SME Climate Hub</u> and calculating their base carbon levels in 2018, Thomas Kneale has committed to becoming Net Zero by 2050, while aspiring to achieve Greater Manchester's regional target of Net Zero by 2038. The company is making significant progress, having already halved their Scope 1 and 2 emissions.

Thomas Kneale recognizes that emission reduction across Scope 3 poses a more complex challenge as change is not only dependent on their actions but that of their supply chain and the country as a whole. Despite having made significant progress in Scope 3, with a 90% reduction in business travel and their main partner mill in Pakistan moving from 0 to 100% renewable electricity in 2023, the company acknowledges the requirement for more strategic planning in order to reach their ambitious milestones.

Many of the company's aspiring sustainability initiatives will require early project capital investment costs, with a mid to long-term payback period. Yet they remain undeterred by investment.



Scope 1 and 2 Carbon Footprint Reduction Progress

2018

14 tonnes

2022

6,5 tonnes

C02e

Renewable energy and energy efficiency Initiatives



100% renewable energy



Sensor
lighting and solar panel installation



A new efficient combi boiler

Seven years ago, the company began exploring packaging alternatives with the hopes of finding a more sustainable option. Although the team at Thomas Kneale admits this process has been "a marathon rather than a sprint", they have made real progress. All cardboard cartons are PAP20 recyclable, and all plastic packaging is LDPE04 recyclable. The company is also working towards plastic packaging with a minimum of 30% recycled content, with the aim that this new product will be used in roughly 70% of all plastic packaging by the end of 2023. Additionally, Thomas Kneale has introduced a re-use and redistribution scheme of preloved products to contribute to the reduction of landfill waste and carbon emissions, which has proved a huge success with their customers.

As well as using recycled cotton and polyester extensively across their product range, Thomas Kneale ensures that all cotton used in their products is sourced from Fairtrade suppliers. Not only does this engage the entire supply chain in ethical practice by ensuring a fair wage for farmers and pickers, they also ensure growers have the capacity to invest in the land, which results in better quality yield and fewer chemical pollutants used which can contaminate local water supplies.

# Recognition for Best Practices

We share our scorecard with customers and our Gold Medal far and wide. It allows us to stand out from others, but also to open dialogue about what EcoVadis is and explain how organizations can benefit."

Thomas Kneale has been using their EcoVadis Gold Medal as a tool to engage in conversation around sustainability with both customers and stakeholders. For them, sustainability has proved a real competitive advantage, with their new initiatives helping to both retain existing clientele and attract new revenue. To date, the company has an impressive customer retention rate of over 97% and attributes their record success in competitive tenders to scoring highly for best sustainable practices. Having witnessed decades worth of market evolution, Thomas Kneale knows that in today's climate customers are not simply buying on price. Sustainability has become a real driving motivator for customers and the all-round service provided by Thomas Kneale is hugely compelling.

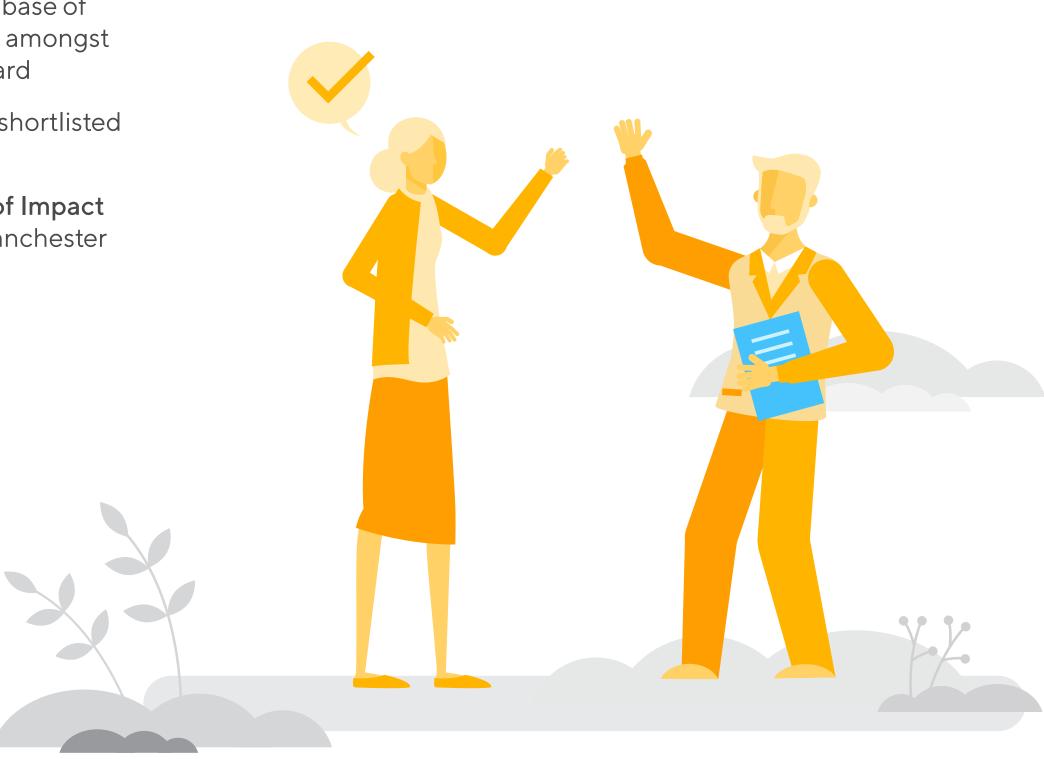
The growing catalog of sustainability awards Thomas Kneale has received to date is testament to their achievements and hard work:

- ✓ King's Award for Enterprise Winner for Sustainable Development (one of just 15 organizations UK wide to win this award in 2023)
- Sodexo SME of the Year, from a supplier base of 4,400, with Net Zero and EcoVadis listed amongst reasons for presenting them with the award
- Living Wage Foundation annual awards shortlisted organization for employee's choice
- ✓ Award for Outstanding Demonstration of Impact by a Local SME from the University of Manchester



customer retention rate of over

97%





# What's Next for Thomas Kneale?

As an SME operating with a small team, the company doesn't have the luxury of dedicating a large proportion of resources to the sustainability sector alone. In an effort to combat this, they have been receiving support and guidance from stakeholders and suppliers and continue to listen to their customers with whom the company has shared goals and objectives.

Thomas Kneale has begun taking actionable steps to achieve Net Zero by 2038, such as participating in mentoring schemes alongside some of their larger customers including the Journey to Net Zero program run by a local skills upskilling organization called The Business Growth Hub based in Greater Manchester. In addition to this, the company is keen to share their acquired expertise and have sat on the panel at the Northern Sustainability Summit, as well as attending a talk as guest speakers at the Manchester Metropolitan University. The company has also run a session at the LOGYTalks Global Sustainable Energy Summit and have sat on numerous business leaders' roundtable events.

Going into 2024, Thomas Kneale has appointed their first dedicated sustainability manager to accelerate efforts with their suppliers, customers and community to collaboratively support each others' sustainability goals.

One of the most significant developments for Thomas Kneale will be the ability to assess chosen suppliers from their supply chain, having recently upgraded to a Premium EcoVadis membership. With this comes the potential to utilize the extensive range of tools available on the EcoVadis Academy and the opportunity to share their EcoVadis Medal in their communications.

The company has expressed their eagerness to start utilizing the available features on the EcoVadis portal such as 'Rate my Trading Partners' to begin working closely with their supply chain partners, weaving eco-conscious choices into the fabric of their business, and building a more sustainable future for us all.



#### About EcoVadis

EcoVadis is a purpose-driven company whose mission is to provide the world's most trusted business sustainability ratings. Businesses of all sizes rely on EcoVadis' expert intelligence and evidence-based ratings to monitor and improve the sustainability performance of their business and trading partners. Its actionable scorecards, benchmarks, carbon action tools, and insights guide an improvement journey for environmental, social and ethical practices across 200 industry categories and 175 countries. Industry leaders such as Johnson & Johnson, L'Oréal, Unilever, LVMH, Bridgestone, BASF and JPMorgan are among the 100,000 businesses that collaborate with EcoVadis to drive resilience, sustainable growth and positive impact worldwide. Learn more on ecovadis.com, Twitter or LinkedIn.



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