



Bute Fabrics Ltd

Sustainability Report 2023

When we published our first sustainability report last year, we knew that it was an important topic. We did not, however, fully anticipate how many and varied the conversations would be with customers in the months following. Sustainability in all its forms continues to be a major driver of innovation and business practice in the textiles sector and we are happy to share some of our activities and achievements in this second report.

One of the highlights (and this is so important for a company like Bute Fabrics, which is deeply embedded in the community) was our Open Day in July. There was such an enthusiastic response to the mill tours, the lovely food and fantastic children's entertainment: it was a great celebration of our heritage, our current operations and our commitment to the future. It also helped raise funds for our staff nominated charity: Scotland's Charity Air Ambulance, a hugely significant lifeline for which our Island community is most grateful.

John Glen, CEO



People and Community

Bute Fabrics is a significant employer in a small island community. Our location and our history mean that we place a very high value on our employees and their active engagement with the business. We are very aware of our important role on the island of Bute and are involved with the wider community.

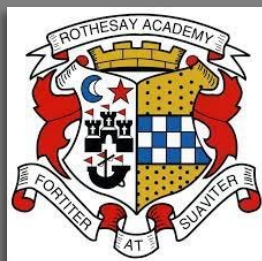
In July, we ran a very successful **Open Day**—the rain stayed away; children, adults and even a giant came! All the food was eaten and lots of fabric was sold. Proceeds went to Scotland's Charity Air Ambulance, our charity partner.



Schools

Our work with young people continued at pace in 2023. There were some mill tours and presentations to pupils at Rothesay Academy and a visit to a careers fair, which proved very popular. We also collaborated closely with Appletree, the local nursery.

Encouraging and inspiring a younger generation is central to the ethos of Bute Fabrics.



Meanwhile, in the mill...

In 2022 we started to update all the Risk Assessments in the factory and to ensure that all chemicals have adequate assessments and data sheets. We completed this in 2023. We had not anticipated this, but there was a customer audit during the year and the work was fully approved.

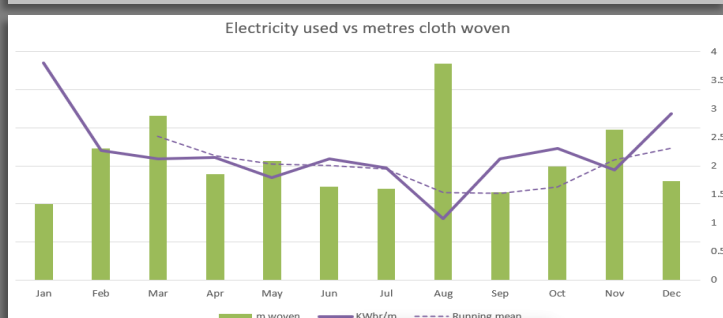
Skills development was also continued - sustainability, internal auditor, loom tuner and the cross-training of a weaver to support Sales.

Operations

At Bute Fabrics, we aim to make our production processes as efficient as possible, thereby minimising our impact on the environment. We manage our energy consumption (including logistics) very closely. We ensure that minimum amounts of waste are produced and that as much waste as possible is recycled.

Energy

Last year we reported on the usage of electricity per metre of cloth woven. While month-on-month this is a highly variable figure (see graph), it is the best measure we have of the efficiency of our weaving operations. Over the course of 2023, we used 2.08 kWh/m and we have set ourselves a target for 2024 to reduce this to under 2 kWh.



Packaging Analysis

In 2023 we documented all the packaging that we used. The variety is greater than we expected - 7 types of plastic material and 7 paper based. The content gave us a pleasant surprise. One of the plastic items is made from recycled material and all but 1 are recyclable. All of the paper based materials can be recycled and 4 have some recycled content.

We have made good progress on our "Supplier to Zero" work in relation to chemical management. We aim to complete it by the end of Q2 2024.

Textile Waste

We are pleased to report that all of our textile waste is being recycled in some way. Best of all are our sales of redundant stock, of course. We are able to upcycle a number of materials, including some production waste, through Nomad SLT Ltd. The bulk of our textile waste is sold to merchants and goes to low-grade uses.



Supply Chain

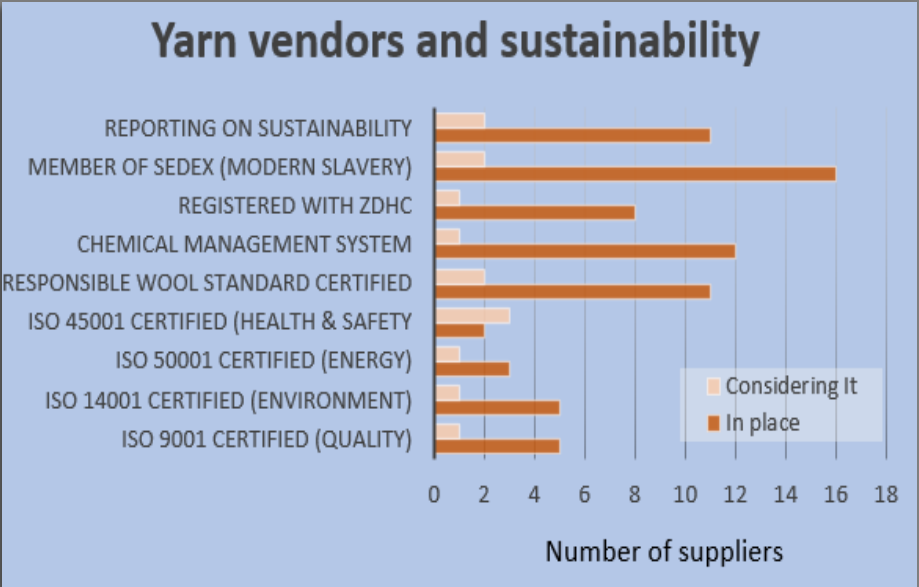
At Bute Fabrics, we work with a small group of suppliers and subcontractors in order to manufacture products for our customers. We value long-term relationships and aim to work with those who, like us, are committed to responsible and innovative manufacturing.

Vendor Survey

At the end of 2024, we carried out a survey of our main raw material suppliers (spinners). There was a full response—18 out of 18!

In this initial questionnaire, we were trying to find out about the supply chain’s engagement with sustainability and in particular with various certifications. The results are in the accompanying chart.

Like Bute Fabrics, most of the suppliers are members of Sedex, which helps companies to detect and avoid poor labour practices in the supply chain.



Raw Materials and Design

Our raw materials are both natural and synthetic fibres. We are aware of, and seek to minimise, the impact on the environment, both by design choices and by creating long-lasting products. We aim to be innovative in our use of raw materials in order to continually improve our environmental performance.

Traceability and RWS



Over the last year, we have been investigating the Responsible Wool Standard. This was created by Textile Exchange, a large not-for-profit organisation which originally started working in organic fibres.

The RWS was first developed as a “farm standard”, encompassing animal welfare and other good farm practice, but has now developed and focusses on traceability throughout the supply chain. There are other farm standards, such as SustainaWOOL (Australia) and ZQ (New Zealand) but RWS has taken a place as the main wool standard recognised by brands and it is becoming increasingly important in the luxury fashion marketplace.

Bute Fabrics’ current status	Only one spinner supplies exclusively RWS-certified yarns. We have had discussions with others and we understand the requirements of the standard.
Our future plans	In 2024, we aim to be able to increase the supply of RWS-certified yarns. Later, we plan to have the Bute Mill certified to RWS.

Canna

The Design team is currently working on a fabric called Canna. We thought it would be a good way to illustrate the challenges and opportunities which we find daily in textiles sustainability.

Design	One of the main drivers for designing the fabric is to use up excess yarns.
Raw materials	Wool is a natural material but it comes from Australia, with a high carbon footprint. Nylon is a synthetic, made from oil-based chemicals.
Dyes & chemicals	Dyes are made from oil-based chemicals and constitute about 5% of weight. Flame retardant chemicals will only be used if necessary.
Manufacturing	Spinning, weaving and finishing are all carried out in the UK, minimising carbon footprint.
Durability	The wool/nylon mix is particularly durable and Bute fabrics can last decades.
Maintenance	While not under our control, furnishing is usually dry cleaned, with unpleasant chemicals.
End of life	Multi-material and complex objects such as furniture are hard to recycle. Burning fabrics for energy is increasingly common at end-of-life.

Commitments

Our commitments for 2023

- Provide sustainability training for all employees
- Establish partnership links with charities for fundraising and other support
- Establish KPIs on the amount of waste produced and measure our performance
- Establish KPIs for energy usage and measure our performance
- Assess all key vendors against our scorecard, creating an Approved Vendor List
- Achieve ZDHC 'Supplier to Zero' Basic Level

How we did

- Completed during Q2 of the year
- We selected Scotland's Charity Air Ambulance Service and supported it through our Open Day
- We measured the weight of waste textiles vs the weight of yarn issued and set a KPI for 2024
- We measured the electricity used against the length of fabric woven and set a KPI for 2024
- Complete—see the Supply Chain page. This is now a part of our management system
- We have registered and are working on actions. Completion expected Q1 2024

Our 2024 commitments and targets

- ◆ We will train appropriate staff in chemical management, traceability and in certifications
- ◆ We will ensure that there is regular communication with all staff on sustainability issues
- ◆ We aim to reduce the electricity used per metre woven from 2.08 kWh/m (2023) to under 2.0 kWh/m
- ◆ We aim to reduce our textile waste from 7.1% of yarn issued to 6.5%
- ◆ We will publish a map showing the source of all our raw materials (fibre origin)
- ◆ Having created an Approved Supplier List, we will create a vendor score system for all suppliers on it

Bute Fabrics produces woven textiles for the furnishing, drapery and luxury fashion markets within its own weaving mill in the town of Rothesay, on the Isle of Bute, a mere 35 minute ferry journey from the mainland of south west Scotland and only a 30 minute drive from Glasgow. To do this, it procures yarns from around the world, but mostly from Europe, with the largest quantity originating within the UK.

The company was established in 1947 by the 5th Marquess of Bute, with the sole purpose of providing employment opportunities for service personnel returning home after the Second World War. To this day, it is deeply embedded in the community where it is

located and the culture, operations and spirit of the business are shaped by it.

Bute Fabrics is certified to **ISO 9001:2015** for quality management and **ISO 14001:2015** for environmental management. It is a member of **Sedex**, which "helps companies build socially and environmentally sustainable businesses and supply chains" and is registered with the textiles body **Zero Discharge of Hazardous Chemicals**, which provides the framework for our chemical management. There is a robust **Health & Safety** System in place, with good employee representation and participation. The company is currently working on improving **traceability** of materials within its supply chain.