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**This document is important and requires your immediate attention.**

**If you are in any doubt as to the action you should take, you should seek your own independent financial advice from a stockbroker, bank manager, solicitor, accountant, or other financial adviser authorised under the UK Financial Services and Markets Act 2000. If you are outside the UK, you should immediately consult an appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Coats Group plc shares, please send this document, together with the accompanying documents (but not the personalised Form of Proxy), as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

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## **COATS GROUP PLC**

(Incorporated and registered in England & Wales  
with registered number 00103548)

### **NOTICE OF ANNUAL GENERAL MEETING**

**TO BE HELD ON WEDNESDAY 16 MAY 2018 AT 2:30 P.M.  
AT FTI CONSULTING, 200 ALDERSGATE, ALDERSGATE STREET,  
LONDON, EC1A 4HD, UK**

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A Form of Proxy for use at the Annual General Meeting is enclosed. To be valid, the Form of Proxy should be completed and returned in accordance with the instructions to the Company's Registrar at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible but in any event so as to arrive not later than 2:30 p.m. London time on Monday 14 May 2018.

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# LETTER FROM THE CHAIRMAN OF COATS GROUP PLC

(Incorporated and registered in England & Wales with registered number 00103548)

1 The Square  
Stockley Park  
Uxbridge  
Middlesex  
UB11 1TD

11 April 2018

## Dear Shareholder

### Notice of Annual General Meeting

I am pleased to be writing to you with details of our Annual General Meeting (AGM) which we are holding at 2:30 p.m. on Wednesday 16 May 2018 at FTI Consulting, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD, UK. The formal notice of AGM is set out on pages 5 to 6 of this document.

If you would like to vote on the resolutions but cannot attend the AGM, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the AGM by using one of the methods set out in the notes to the Notice of AGM on pages 7 to 8 of this document.

The purpose of this letter is to explain certain elements of the business to be considered at the AGM. Resolutions 1 to 16 inclusive will be proposed as Ordinary Resolutions and Resolutions 17 to 19 inclusive will be proposed as Special Resolutions.

### Resolution 1 – Annual Report and Accounts

The Directors are required by the UK Companies Act 2006 (UK Companies Act) to present to the shareholders of the Company at a General Meeting the reports of the Directors and the Auditor, and the audited financial statements of the Company, for the year ended 31 December 2017. The reports of the Directors and the audited financial statements have been approved by the Directors, and the report of the Auditor has been approved by the Auditor, and a copy of each of these documents may be found in the Annual Report 2017, starting at page 71, which was published on [www.coats.com](http://www.coats.com) on 7 March 2018.

### Resolution 2 – Directors' Remuneration Report

Resolution 2 is to approve the Directors' Remuneration Report. In accordance with the provisions of the UK Companies Act, the Directors' Remuneration Report in the Annual Report 2017, set out on pages 55 to 67 of the Annual Report 2017, contains:

- the annual statement by David Gosnell, Chairman of the Company's Remuneration Committee; and
- the annual report on remuneration, which sets out the remuneration paid to the Company's Directors in the financial year ending 31 December 2017.

The statement by the Remuneration Committee Chairman and the annual report on remuneration will, as in the past, be put to an advisory shareholder vote which does not affect the future remuneration paid to any Director.

### Resolution 3 – Dividend

The Company paid an interim dividend of 0.44 US cents on each ordinary share of £0.05 each in the Company (Ordinary Share) in November 2017. The Board recommends a final dividend of 1.00 US cent on each Ordinary Share in respect of the year ended 31 December 2017 to be paid to shareholders recorded on the Register of Members on 4 May 2018 and to be paid on 29 May 2018. This brings the total dividend for the year ended 31 December 2017 to 1.44 US cents per Ordinary Share.

### Resolutions 4 to 13 – Re-election and election of Directors

Resolutions 4 to 13 deal with the election and re-election of the Directors. In accordance with the provisions of the UK Corporate Governance Code (the Code) and the Company's Articles of Association, all Directors, with the exception of Ruth Anderson who will retire from the Board at the end of the AGM, will submit themselves for election or re-election at the AGM. Further information on the Board, including the roles of the Directors, can be found in the Corporate Governance Report on pages 37 to 76 of the Annual Report 2017. In relation to the re-election of the Non-Executive Directors, the Chairman has confirmed that the Board has determined that each of them is independent, and that the balance of skills, experience and diversity on the Board is sufficient to enable the Non-Executive Directors to discharge their respective duties and responsibilities effectively.

A summary of the skills and experience of each of the Directors seeking election or re-election can be found in Appendix 1 on pages 9 to 11 of this document.

# LETTER FROM THE CHAIRMAN OF COATS GROUP PLC CONTINUED

## **Resolutions 14 and 15 – Reappointment of Auditor and Auditor's Remuneration**

The UK Companies Act requires that an Auditor be appointed at each General Meeting at which accounts are laid, to hold office until the next such meeting. Resolution 14 seeks shareholder approval for the reappointment of Deloitte LLP. The Audit and Risk Committee keeps under review the independence and objectivity of the external Auditor, further information on which can be found in the Annual Report 2017 on pages 50 to 54. After considering relevant information, the Audit and Risk Committee recommended to the Board of Directors that Deloitte LLP be reappointed.

Resolution 15 gives the Directors the authority to determine the remuneration of the Auditor. The amount of the remuneration paid to the Auditor for the next financial year will be disclosed in the next audited accounts of the Company.

## **Resolution 16 – Allotment of share capital**

The UK Companies Act provides that the Directors are not permitted to allot shares (or other relevant securities such as rights to subscribe for, or convert securities into, ordinary shares) unless they are authorised to do so by the Company's shareholders in a General Meeting. This Resolution will, if passed, renew the Directors' authority (given by shareholders at the 2017 AGM) to allot shares and other relevant securities up to the maximum amount set out in the Resolution, and is consistent with the level commonly proposed by other UK listed companies.

At the last AGM of the Company, held on 17 May 2017, the Directors were given authority to allot shares in the capital of the Company up to a maximum nominal amount representing approximately one third of the Company's then issued ordinary share capital. This authority expires at the end of this year's AGM. Resolution 16 will, if passed, renew this authority to allot, on the same terms as last year's resolution.

The authority sought under Resolution 16 is to allot shares up to a maximum value of £23,710,000 being approximately one third of the current issued share capital of the Company as at 11 April 2018 (being the latest practicable date before publication of this document (Latest Practicable Date)). The Company does not hold any shares in treasury. The authority will expire on 30 June 2019 or at the conclusion of next year's AGM, whichever is the earlier.

The Directors have no present intention of allotting new shares except in connection with the employee share option schemes. However passing this Resolution will ensure that the Directors continue to have the flexibility to act in the best interests of shareholders, when opportunities arise, by issuing new shares.

## **Resolution 17 – Disapplication of statutory pre-emption rights**

This Resolution is to enable the Directors to allot shares pursuant to the authority granted under Resolution 16 either for a rights issue or other offer of securities to existing shareholders or (up to the specified amount) for cash, without first offering them to existing shareholders exactly in proportion to their existing shareholdings (which would otherwise be required under UK statutory pre-emption rights contained in the UK Companies Act). This Resolution, if passed, will renew the Directors' authority (given by shareholders at the 2017 AGM) to allot shares and other equity securities for cash, in appropriate circumstances, subject to the maximum amount set out in the Resolution, and is consistent with the level commonly proposed by other UK listed companies. The maximum amount is 5% of the issued share capital as at the Latest Practicable Date.

The Directors confirm their intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three-year period. The Principles provide that companies should not issue shares for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period, other than to existing shareholders, without prior consultation with shareholders.

If passed, this authority will expire on 30 June 2019 or at the conclusion of next year's AGM, whichever is the earlier.

# LETTER FROM THE CHAIRMAN OF COATS GROUP PLC CONTINUED

## **Resolution 18 – Authority to purchase own shares**

This Resolution gives the Company general authority to buy back its own shares in the market as permitted by the UK Companies Act. The authority limits the number of shares that could be purchased to a maximum of 142,403,000 (representing approximately 10% of the Company's issued shares as at the Latest Practicable Date). This Resolution also sets minimum and maximum prices in accordance with the UK Listing Rules.

The authority granted pursuant to Resolution 18 will expire on 30 June 2019 or at the conclusion of next year's AGM, whichever is the earlier.

UK listed companies purchasing their own shares are allowed to hold them in treasury as an alternative to cancelling them. If Resolution 18 is passed at the AGM, and the Company buys back its own shares, it is the Company's current intention to cancel all of the shares it may purchase pursuant to the authority granted to it. However, in order to respond properly to the Company's capital requirements and prevailing market conditions, the Directors will reassess at the time of any and each actual purchase whether to hold the shares in treasury or cancel them, provided it is permitted to do so.

The Board is focused on achieving a strategy which will involve capital management initiatives as the Group's cash flows, continuing obligations to the Group's on-going pension schemes and liabilities, permit. Passing this resolution allows the Directors the flexibility to act in the best interests of shareholders when opportunities arise. This may result in an exercise of the authority to purchase the Company's Ordinary Shares if the Board considers this to be in the best interests of the shareholders as a whole.

The total number of options that are outstanding under the Coats Group plc share option schemes are 67,297,283 as at the close of business on the Latest Practicable Date. These options equate to 4.73% of the issued share capital of the Company.

If the authority to purchase the Company's Ordinary Shares being sought in Resolution 18 and the existing authority to purchase shares taken at last year's AGM (which expires at the end of this year's AGM) were to be exercised in full, these options would represent 5.90% of the Company's issued share capital (excluding treasury shares).

As previously notified to shareholders, the Company will look to support its share-based long term incentives programme by funding an employee benefit trust to buy shares in the open market. As the employee benefit trust is an independent entity outside of the Company's group, it will not be relying on this authority when purchasing shares.

## **Resolution 19 – Length of notice of meeting**

Resolution 19 is a resolution to allow the Company to hold General Meetings (other than AGMs) on 14 clear days' notice.

The minimum notice period for General Meetings of listed companies is 21 clear days, but companies may reduce this period to 14 clear days (other than for AGMs) provided that two conditions are met. The first condition is that the Company offers a facility for shareholders to vote by electronic means. This condition is met if the Company offers a facility, accessible to all shareholders, to appoint a proxy by means of a website. The second condition is that there is an annual resolution of shareholders approving the reduction of the minimum notice period from 21 clear days to 14 clear days.

The Board is therefore proposing Resolution 19 to approve 14 clear days as the minimum period of notice for all General Meetings of the Company other than AGMs. The approval will be effective until the end of the next year's AGM, when it is intended that the approval be renewed. The Board will consider on a case by case basis whether the use of the flexibility offered by the shorter notice period is merited, taking into account the circumstances, including whether the business of the meeting is time-sensitive and whether it is thought to be to the advantage of shareholders as a whole.

## **Recommendation**

The Board considers the Resolutions will promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own holdings.

Voting on all Resolutions at the AGM will be by way of a poll on a show of hands.

Yours sincerely

**Mike Clasper**

Chairman

Coats Group plc

11 April 2018

# NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given** that the 2018 Annual General Meeting of Coats Group plc (Company) will be held on Wednesday 16 May 2018 at FTI Consulting, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD, UK at 2:30 p.m. to consider and, if thought fit, to pass the following Resolutions of which Resolutions 1 to 16 inclusive will be proposed as Ordinary Resolutions and Resolutions 17 to 19 inclusive will be proposed as Special Resolutions:

## **Resolution 1**

To receive the Accounts and Reports of the Directors and the Auditor for the year ended 31 December 2017.

## **Resolution 2**

To approve the Directors' Remuneration Report in the form set out in the Company's Annual Report for the year ended 31 December 2017.

## **Resolution 3**

To declare a final dividend for the year ended 31 December 2017 of 1.00 US cent per ordinary share of £0.05 each in the Company (Ordinary Share), to be paid on 29 May 2018 to shareholders whose name appear on the register of members at the close of business on 4 May 2018.

## **Resolution 4**

To re-elect Mike Allen as a Director.

## **Resolution 5**

To re-elect Simon Boddie as a Director.

## **Resolution 6**

To re-elect Nicholas Bull as a Director.

## **Resolution 7**

To re-elect Mike Clasper as a Director.

## **Resolution 8**

To re-elect David Gosnell as a Director.

## **Resolution 9**

To re-elect Fran Philip as a Director.

## **Resolution 10**

To re-elect Alan Rosling as a Director.

## **Resolution 11**

To re-elect Rajiv Sharma as a Director.

## **Resolution 12**

To elect Anne Fahy as a Director.

## **Resolution 13**

To elect Hongyan Echo Lu as a Director.

## **Resolution 14**

To re-appoint Deloitte LLP as Auditor of the Company, to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company.

## **Resolution 15**

To authorise the Directors to fix the remuneration of the Auditor.

## **Resolution 16**

That the Directors be generally and unconditionally authorised pursuant to section 551 of the UK Companies Act 2006 (UK Companies Act) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company (Rights) up to an aggregate nominal amount of £23,710,000 provided that this authority shall expire (unless previously varied as to duration, revoked or renewed by the Company in General Meeting) on 30 June 2019 or at the conclusion of next year's AGM whichever is the earlier, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be hereby revoked.

# NOTICE OF ANNUAL GENERAL MEETING

## CONTINUED

### Resolution 17

That the Directors be hereby empowered pursuant to section 570 and section 573 of the UK Companies Act to allot equity securities (as defined in section 560 of that Act) for cash pursuant to the authority conferred by Resolution 16 above, or by way of sale of treasury shares as if section 561(1) of the UK Companies Act did not apply to any such allotment provided that this power shall be limited to:

- (i) the allotment or sale of equity securities in connection with an offer of securities in favour of the holders of Ordinary Shares on the Register of Members at such record date as the Directors of the Company may determine and other persons entitled to participate therein, in any or all jurisdictions where equity securities are listed on any recognised stock exchange, where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective shareholdings on the record date of such allotment or sale. This is subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with any treasury shares, fractional entitlements or the legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of Ordinary Shares being represented by depositary receipts or any other matter; and
- (ii) the allotment or sale (otherwise than pursuant to sub-paragraph (i) above) to any person or persons of equity securities for cash up to an aggregate nominal value not exceeding £3,560,000.

Such power, unless renewed or otherwise varied by the Company in a General Meeting, shall expire upon the expiry of the general authority conferred by Resolution 16 above, save that the Company may make an offer or agreement before this power has expired, which would or might require equity securities to be allotted or sold after such expiry and the Directors may allot or sell equity securities pursuant to any such offer or agreement as if the authority conferred hereby had not expired. Any earlier power of the Directors to allot equity securities as aforesaid be hereby revoked.

### Resolution 18

That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the UK Companies Act) of its Ordinary Shares on such terms and in such manner as the Directors may from time to time determine, provided that:

- (i) the maximum number of Ordinary Shares hereby authorised to be acquired is 142,403,000;
- (ii) the minimum price (exclusive of associated expenses) which may be paid for any such Ordinary Share shall not be less than the nominal value of such share;
- (iii) the maximum price which may be paid for any such Ordinary Share shall be the higher of: (a) the amount equal to 105% of the average of the middle market quotations for an Ordinary Share in the Company as derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased (exclusive of associated expenses); and (b) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange at the time the purchase is carried out;
- (iv) unless previously renewed, revoked or varied by the Company in General Meeting, the authority conferred by this resolution shall expire on 30 June 2019 or the date of next year's AGM of the Company, whichever is earlier; and
- (v) the Company may contract to purchase its Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority, and may purchase its Ordinary Shares in pursuance of any such contract.

### Resolution 19

That a General Meeting, other than an AGM of the Company, may be called on not less than 14 clear days' notice.

#### Registered office

1 The Square  
Stockley Park  
Uxbridge  
Middlesex  
UB11 1TD

Registered Number 00103548

#### By order of the Board

Stuart Morgan  
Company Secretary  
11 April 2018

# NOTES TO NOTICE OF ANNUAL GENERAL MEETING

1. The venue for the 2018 AGM is FTI Consulting, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD, UK.
2. A member who is an individual is entitled to attend, speak and vote at the meeting or to appoint another person (who need not be a member of the Company) as his proxy to exercise all or any of his rights to attend, speak and vote at the meeting on his behalf. Further details of how to appoint a proxy, and the rights of proxies, are given in the paragraphs below. A member that is a company can appoint one or more corporate representatives (such as a Director or employee of the company) whose attendance at the meeting is treated as if the company were attending in person. In accordance with the provisions of the UK Companies Act 2006 (the UK Companies Act), each such representative may exercise (on behalf of the company) the same powers as the company could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same Ordinary Shares. It is no longer necessary to nominate a designated corporate representative. A member that is a company may also appoint one or more persons as its proxy to exercise all or any of its rights on its behalf. In each case, a person attending the meeting will need to provide the Company or its Registrars, Computershare Investor Services PLC with evidence of their identity and, if applicable, their appointment as a proxy or corporate representative with authority to vote on behalf of a member.
3. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to represent you. Your proxy must vote as you instruct and must attend the meeting for your vote to be counted. To appoint a proxy or proxies, shareholders must complete: (a) a form of proxy, sign it and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such authority, to the Company's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or (b) a CREST Proxy Instruction (for UK registered members) (as set out in paragraphs 18 to 19 below), in each case so that it is received no later than 2:30 p.m. on 14 May 2018. To appoint more than one proxy, you will need to complete a separate form of proxy in relation to each appointment. Forms of proxy for use in connection with the AGM are enclosed with this document. If you do not have a form of proxy and believe that you should, please contact the Company's Registrars, Computershare Investor Services PLC on 0370 707 1022.
4. The Chairman intends to vote any undirected proxies given to him in favour of all the Resolutions set out in this Notice and will vote such undirected proxies as he thinks fit on any matters or motions before the meeting.
5. You will need to state clearly on each form of proxy the number of Ordinary Shares in relation to which the proxy is appointed. A failure to specify the number of Ordinary Shares each proxy appointment relates to or specifying a number of Ordinary Shares in excess of those held by the member will result in the proxy appointment being invalid.
6. The return of a completed form of proxy or any CREST Proxy Instruction (as described in paragraph 19 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
8. Any person to whom this Notice is sent who is a person nominated under section 146 of the UK Companies Act to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
9. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 2, 3 and 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
10. Copies of (i) the Directors' engagement letters; (ii) indemnities in favour of each of the Directors of the Company; and (iii) the Articles of Association of the Company, will each be available for inspection at the offices of the Company at 1 The Square, Stockley Park, Uxbridge, Middlesex, UB11 1TD during normal business hours any week day (Saturdays, Sundays and UK public holidays excepted) from the date of this document until 16 May 2018 (being the date of the 2018 AGM) and at the venue of the 2018 AGM from 15 minutes before the start of the meeting until the end of the meeting.
11. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 and the UK Companies Act, the Company gives notice that only those shareholders included in the Register of Members of the Company at 6:00 p.m. on 14 May 2018 or, if the meeting is adjourned, in the Register of Members at 6:00 p.m. on the day which is two days before the day of any adjourned meeting, will be entitled to attend and to vote at the AGM in respect of the number of Ordinary Shares registered in their names at that time. Changes to entries on the Register of Members after 6:00 p.m. on 14 May 2018, or, if the meeting is adjourned, in the Register of Members at 6:00 p.m. on the day which is two days before the day of any adjourned meeting, will be disregarded in determining the rights of any person to attend or vote at the AGM.



# NOTES TO NOTICE OF ANNUAL GENERAL MEETING CONTINUED

12. As at 9:00 a.m. on 11 April 2018 being the latest practicable date prior to the publication of this Notice, the Company had 1,424,039,620 Ordinary Shares in issue, carrying one vote each. Therefore the total voting rights in the Company are 1,424,039,620. The Company does not hold any Ordinary Shares as treasury shares.
13. Under section 527 of the UK Companies Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an Auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the UK Companies Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the UK Companies Act. Where the Company is required to place a statement on a website under section 527 of the UK Companies Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the UK Companies Act to publish on a website.
14. Any member attending the meeting has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
15. You may not use any electronic address provided in this Notice, or any related documents including the proxy form, to communicate with the Company for any purposes other than those expressly stated.
16. The contents of this Notice, details of the total number of Ordinary Shares in respect of which members are entitled to exercise voting rights at the meeting, details of the totals of the voting rights that members are entitled to exercise at the meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice will be available on the Company's website at: [www.coats.com/aggm2018](http://www.coats.com/aggm2018).
17. Voting on all Resolutions at this year's AGM will be conducted by way of a poll on a show of hands. As soon as practicable following the AGM, the results of the voting at the meeting and the numbers of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions will be announced via a Regulatory Information Service and also placed on the Company's website at: [www.coats.com/investors](http://www.coats.com/investors).
18. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of the meeting by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
19. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (ID: 3RA50) by the latest time for receipt of proxy appointments set out in paragraph 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. The Company may treat as invalid any CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
20. CREST members and, where applicable, their CREST sponsors, or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.



# APPENDIX 1

## BIOGRAPHICAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

### Mike Allen

#### Independent Non-Executive Director

- Committee membership: Nomination, Remuneration.
- Key skills and experience: Mike has over 25 years' experience in investment banking and general management both in New Zealand and the UK.
- Other current appointments: He is currently Chairman of Investore Property Limited, Director of Godfrey Hirst Australia and Taumata Forests Limited, and an Independent Director of China Construction Bank (NZ) Limited and Tainui Group Holdings.
- Previous relevant experience: Mike has previously held a variety of senior leadership roles in New Zealand at Southpac Corporation and Westpac.
- Qualifications: Mike has an LLB/BCom from Otago University, New Zealand.

### Simon Boddie

#### Chief Financial Officer

- Committee membership: None.
- Key skills and experience: Simon has over 30 years' experience of working in finance with extensive knowledge of international operations, emerging markets and digital.
- Other current appointments: He is currently a Non-Executive Director of PageGroup plc, a specialist recruitment company, where he also chairs the audit committee.
- Previous relevant experience: Simon was previously Group Finance Director for ten years at Electrocomponents plc, a FTSE 250 industrial distribution business. Prior to Electrocomponents, Simon worked for Diageo, the leading international drinks business, where he held a variety of senior finance positions. His career started at Price Waterhouse, where he qualified as a Chartered Accountant, before working in the Corporate Finance Team of Hill Samuel Bank.
- Qualifications: Simon is a member of the Institute of Chartered Accountants in England and Wales and has an MA in Economics from the University of Cambridge.

### Nicholas Bull

#### Senior Independent Non-Executive Director

- Committee membership: Audit and Risk, Nomination.
- Key skills and experience: Nicholas is a qualified chartered accountant with over 30 years' experience in global banking.
- Other current appointments: He is currently Chairman of the investment trust, Fidelity China Special Situations plc, as well as a trustee of the Design Museum, the Conran Foundation and a member of the Council of the University of Exeter.
- Previous relevant experience: Nicholas has served as Chairman of De Vere, the hotel and leisure group. He has also served as Chairman of the Advisory Board of City stockbroker, Westhouse Securities and of Smith's Corporate Advisory Limited. Prior to that he had a career in banking with Morgan Grenfell (subsequently Deutsche Bank), Société Générale and ABN AMRO working in London, Hong Kong, Singapore and Sydney.
- Qualifications: Nicholas has a BSc in Chemistry from the University of Exeter and is a Fellow of the Institute of Chartered Accountants in England and Wales.

### Mike Clasper CBE

#### Chairman

- Committee membership: Nomination (Chair).
- Key skills and experience: Mike has over 35 years' experience in general management and marketing for global companies, with a particular focus on brands and business services.
- Other current appointments: He is currently the Senior Independent Director at Serco Group plc, a leading provider of public services and Chairman of Bioss, an organisation and people development consultancy. He is also a trustee of the Chartered Management Institute (CMI) a governor of the Royal Shakespeare Company (RSC) and an Advisory Board member for Arora International.
- Previous relevant experience: Mike was previously Chairman of Which? Ltd. and has previously served as Chief Executive Officer of BAA plc, Chairman of HM Revenue & Customs, Operational Managing Director at Terra Firma, and held a number of senior management positions at Procter & Gamble. He has also been the Senior Independent Non-Executive Director of ITV plc, Chairman of the West London Consortium, and Chairman of the Market Place Impact Taskforce of Business in the Community.
- Qualifications: Mike holds an MA in Engineering from the University of Cambridge.

## APPENDIX 1

### BIOGRAPHICAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION CONTINUED

#### **Anne Fahy**

##### **Independent Non-Executive Director**

**(Anne joined the Board as a Non-Executive Director on 1 March 2018)**

- Committee membership: Audit and Risk (Chair from May 2018), Nomination.
- Key skills and experience: Anne has over 25 years' experience in global business, financial markets and internal control.
- Other current appointments: Anne is currently a Non-Executive Director of Interserve, an international support services and construction company, SThree, a global staffing organisation providing specialist recruitment services, and Nyrstar, a global multi-metals business. She is also a Trustee of Save the Children.
- Previous relevant experience: During her career at BP, Anne gained extensive experience of global business, developing markets, risk management, internal control, compliance and strategy development in the aviation, petrochemicals, trading and retail sectors.
- Qualifications: Anne is a Fellow of the Institute of Chartered Accountants in Ireland and a Bachelor of Commerce in Economics, Accounting and Business from University College Galway, Ireland.

#### **David Gosnell**

##### **Independent Non-Executive Director**

- Committee membership: Audit and Risk, Nomination, Remuneration (Chair).
- Key skills and experience: David has over 30 years' experience in supply and procurement strategy and execution.
- Other current appointments: David is currently Non-Executive Director of Brambles Ltd, the supply chain solutions provider and Chairman of Old Bushmills Distillery Company Ltd.
- Previous relevant experience: David retired from Diageo plc in 2014 where he had most recently held the role of President of Global Supply and Procurement. He led a global team of 9,000 people around the world across manufacturing, logistics and technical operations as well as managing Diageo's global procurement budget. Prior to joining Diageo, David spent 25 years at HJ Heinz in various operational roles.
- Qualifications: David holds a Bachelor of Science degree in Electrical and Electronic Engineering from Middlesex University and has completed Supply Chain Manufacturing – Drive Operational Excellence at INSEAD (Singapore).

#### **Hongyan Echo ('Echo') Lu**

##### **Independent Non-Executive Director**

- Committee membership: Nomination, Remuneration.
- Key skills and experience: Echo has over 20 years' of global HR, operations and general management experience in retail and pharmaceutical industries across Europe, Asia and the US.
- Other current appointments: Echo is currently the Managing Director of Holland & Barrett International, a European health and wellbeing retailer.
- Previous relevant experience: Echo previously served as the Managing Director of Homebase Ltd as part of Home Retail Group plc and spent ten years at Tesco plc in a variety of senior leadership roles, including Asia HR Director, Chief Operations Officer, China and Property Director, UK/Ireland. Echo has previously been a Non-Executive Director of Dobbies Garden Centres and served as a steering committee member of the Trestle Group Foundation, a non-profit organisation which supports female entrepreneurs in emerging economies.
- Qualifications: Echo has a Bachelor of Arts in International Economy and Finance from Fudan University, Shanghai and a Master of Science in Industrial Relations and Human Resources from West Virginia University.

# APPENDIX 1

## BIOGRAPHICAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION CONTINUED

### **Fran Philip**

#### **Independent Non-Executive Director**

- Committee membership: Nomination, Remuneration.
- Key skills and experience: Fran has over 30 years' of apparel merchandising, product innovation and branding experience having spent the majority of her career at the US retailer LL Bean.
- Other current appointments: Fran is currently a Non-Executive Director of a number of US companies including Vera Bradley Inc., the accessories brand; Totes Isotoner, the accessories manufacturer; Regent Holding, a home décor designer and importer; and an industry executive for Freeman Spogli, a US private equity firm specialising in retail and consumer brands.
- Previous relevant experience: Fran worked for several specialty chains such as The Gap, Williams-Sonoma and The Nature Company. She joined LL Bean in 1994 as Director of Product Development, Home Furnishings and went on to hold a number of roles including Vice President, Affiliated Brands, before becoming Chief Merchandising Officer in 2002 until she retired in 2011.
- Qualifications: Fran has a degree in English and Sociology from Bowdoin College, Maine, and an MBA from the Harvard Business School.

### **Alan Rosling, CBE**

#### **Independent Non-Executive Director**

- Committee membership: Audit and Risk, Nomination, Remuneration.
- Key skills and experience: Alan has wide international experience, especially in Asia, and has worked in general management, strategy and business development roles across a number of sectors including energy, textiles, retailing, banking and government.
- Other current appointments: Alan is currently the Chairman of Griffin Growth Partners, a specialist strategic advisory firm focused on growing markets in Asia and is a Director of Constellation Alpha Capital Corporation. He is also co-founder of Kiran Energy, one of India's leading solar power developers.
- Previous relevant experience: Until 2009 Alan was an Executive Director of Tata Sons Limited. Prior to that he was Chairman of the Jardine Matheson Group in India, Strategy Development Director at United Distillers and a member of The Policy Unit at No. 10 Downing Street. He was CEO of Piersons, a division of Courtaulds Textiles, and an investment banker with S.G. Warburg & Co.
- Qualifications: Alan has an MA in History from the University of Cambridge and an MBA from the Harvard Business School.

### **Rajiv Sharma**

#### **Group Chief Executive**

- Committee membership: Nomination.
- Key skills and experience: Rajiv became Group Chief Executive on 1 January, 2017, having served as an Executive Director since December, 2014. He has nearly 30 years' of experience which includes commercial, operations, M&A, strategy, digital and general management. Rajiv joined Coats in November 2010 as Global CEO Industrial and was responsible for developing and executing a growth strategy. He has lived and worked in the US, Europe and Asia.
- Other current appointments: Rajiv does not currently have any other external appointments.
- Previous relevant experience: Rajiv has multi industry global experience. He has managed complex businesses with blue chip companies that include Saab, Honeywell, GE and Shell. The majority of his career has been dedicated to growing or turning around businesses and he has been on the board of joint ventures at both GE and Shell.
- Qualifications: Rajiv holds a degree in Mechanical Engineering, as well as an MBA from the University of Pittsburgh, USA.

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