



Board Diversity Policy

Policy owner/ issued by	Approved by	Date reviewed	Effective from	Next review	Next independent review
Human Resources	Board	September 2019	September 2019	September 2020	September 2025

Coats firmly believes in the importance of a diverse workforce and is committed to having in place the policies, procedures and working environment to make it possible. A key part of being the world's leading industrial thread company, is ensuring that we have a diverse and inclusive Board to govern our global company, and understand and represent the views of our diverse workforce, customer base and the communities in which we operate.

The Board Diversity Policy (the "Policy") sets out the Board of Coats Group plc's (the "Board's") approach to diversity and provides a high level indication of the Board's approach to diversity in senior management roles, which is governed in greater detail through the Group's policies.

The Board places great emphasis on ensuring that its membership reflects diversity in its broadest sense to bring a range of perspectives and insights to support and challenge management and good decision making.

Diversity embraces knowledge and understanding of relevant diverse geographies, peoples and their backgrounds and includes race, social, educational and professional background, disability, gender, sexual orientation, religion, belief and age, as well as culture, personality, work-style and cognitive and personal strengths. Diversity also includes a diversity of perspectives on what motivates and interests the Company's existing and potential customers.

New appointments to the Board are made on merit and objective criteria, taking account of the specific skills and experience, independence and knowledge needed to ensure a rounded Board and the diversity benefits each candidate can bring to the overall Board composition. The Board is focused upon further increasing Board diversity while maintaining the calibre of directors.

Mike Clasper
Chairman
25 September 2019