
This document is important and requires your immediate attention.

If you are in any doubt as to the action you should take, you are recommended to 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 or CHESSESS depositary interests (CDIs), 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.



COATS GROUP PLC

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

NOTICE OF ANNUAL GENERAL MEETING

TO BE HELD ON WEDNESDAY 17 MAY 2017 AT 2:30 P.M.
AT FTI CONSULTING, 200 ALDERSGATE, ALDERSGATE STREET,
LONDON, EC1A 4HD, UK

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 6ZZ as soon as possible but in any event so as to arrive not later than 2:30 p.m. London time on Monday 15 May 2017.

LETTER FROM THE CHAIRMAN OF COATS GROUP PLC

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

1 The Square
Stockley Park
Uxbridge
UB11 1TD

12 April 2017

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 17 May 2017 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 – To receive the Annual Report and Accounts

The Directors are required by the UK Companies Act 2006 (the UK Companies Act) to present to the shareholders of the Company at a General Meeting the reports of the Directors and Auditor, and the audited financial statements of the Company, for the year ended 31 December 2016. 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 2016, starting at page 36, which was published on www.coats.com on 10 March 2017.

Resolution 2 – Directors' Remuneration Report

Resolution 2 is an Ordinary Resolution to approve the Directors' Remuneration Report. In accordance with the provisions of the UK Companies Act, the Directors' Remuneration Report in the Annual Report 2016 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 2016.

The Directors' Remuneration Report is set out in full in the Annual Report 2016 on pages 52 to 71.

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 – Approval of the Directors' Remuneration Policy

Resolution 3 is an Ordinary Resolution to receive and consider the Remuneration Policy which is set out in the Directors' Remuneration Report in the 2016 Annual Report. The current Directors' Remuneration Policy was approved by shareholders at the 2014 AGM, such policy having effect for a three-year period to the close of the 2017 AGM. The Company is required to present the Company's policy on the remuneration of its Directors (the 'Directors' Remuneration Policy') to shareholders for approval at the AGM at least every three years. This is the Company's forward-looking policy on Directors' remuneration and is set out in the Directors' Remuneration Report on pages 64 to 71 of the Annual Report 2016.

A new Directors' Remuneration Policy is therefore being put to shareholders for approval at this year's AGM. The new policy is subject to a binding shareholder vote by ordinary resolution and if approved by shareholders, the Directors' Remuneration Policy will take effect immediately after the end of the AGM.

The Remuneration Policy will provide the framework for remuneration decisions made by the Remuneration Committee from the date of the 2017 AGM. It is the Company's intention that this will apply until the 2020 AGM, unless the Company seeks shareholder approval for a renewed policy at an earlier date.

Once the policy is effective, the Company will not be able to make remuneration payments to a Director, or loss of office payments to a current or past Director, unless the payment is consistent with the approved policy or has been otherwise approved by shareholders.

If, for any reason, the Directors' Remuneration Policy is not approved by the shareholders, the Company will, if and to the extent permitted to do so under the Companies Act 2006, continue to make payments to Directors in accordance with the Company's existing policy on Directors' remuneration.

LETTER FROM THE CHAIRMAN OF COATS GROUP PLC CONTINUED

Resolutions 4 – Dividend

Resolution 4 is an Ordinary Resolution to declare a final dividend of 0.84 US cents per share in respect of the year ended 31 December 2016 to shareholders recorded on the Register on 5 May 2017 and is payable on 30 May 2017.

Resolutions 5 to 13 – Re-election and election of Directors

Resolutions 5 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 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 32 to 76 of the Annual Report 2016.

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.

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 2016 on pages 41 to 45. 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 for the audit work to be carried out by them in the next financial year. 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 AGM in 2016) 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 18 May 2016, 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 £23,518,848 being approximately one third of the current issued share capital of the Company as at 11 April 2017 (being the latest practicable date before publication of this document). The Company does not hold any shares in treasury. The authority will expire on 30 June 2018 or at the conclusion of the AGM of the Company in 2018, 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 AGM in 2016) 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 11 April 2017 (being the latest practicable date before publication of this document).

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 2018 or at the conclusion of the AGM of the Company in 2018, 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 141,113,090 (representing approximately 10% of the Company's issued shares as at 11 April 2017 (the latest practicable date prior to publication of this document)). 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 2018 or at the conclusion of the AGM of the Company in 2018, 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 87,791,797 as at the close of business on 11 April 2017 (being the latest practicable date prior to the publication of this document). These options equate to 6.22% 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 5.19% 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 as a Special Resolution 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 AGM of the Company, 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 which amount in aggregate to 3,676,475 shares representing approximately 0.26% of the existing issued ordinary shares of the Company (excluding treasury shares).

Voting on all Resolutions at the AGM will be by way of a poll. Voting procedures will be explained at the AGM.

Yours sincerely

Mike Clasper
Chairman
Coats Group plc

12 April 2017

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2017 Annual General Meeting of Coats Group plc (the **Company**) will be held on Wednesday 17 May 2017 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 2016.

Resolution 2

To approve the Directors' Remuneration Report, other than the part containing the Directors' Remuneration Policy, in the form set out in the Company's Annual Report for the year ended 31 December 2016.

Resolution 3

To approve the Directors' Remuneration Policy, in the form set out in the Directors' Remuneration Report in the Company's Annual Report for the year ended 31 December 2016.

Resolution 4

To declare a final dividend for the year ended 31 December 2016 of 0.84 US cents per ordinary share in the Capital of the Company, to be paid on 30 May 2017 to shareholders whose name appear on the register of members at the close of business on 5 May 2017.

Resolution 5

To re-elect Mike Allen as a Director.

Resolution 6

To re-elect Ruth Anderson as a Director.

Resolution 7

To re-elect Nicholas Bull as a Director.

Resolution 8

To re-elect Mike Clasper as a Director.

Resolution 9

To re-elect David Gosnell 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 Simon Boddie as a Director.

Resolution 13

To elect Fran Philip 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 and they are hereby generally and unconditionally authorised pursuant to section 551 of the 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 £23,518,848 provided that this authority shall expire (unless previously varied as to duration, revoked or renewed by the Company in General Meeting) on 30 June 2018 or at the conclusion of the AGM of the Company in 2018 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 and are hereby revoked.

NOTICE OF ANNUAL GENERAL MEETING

CONTINUED

Resolution 17

That the Directors be and they are 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 numbers of ordinary shares held by them 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 £3,527,827.

Such power, unless renewed or otherwise varied by the Company in 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 and is hereby revoked.

Resolution 18

That the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the UK Companies Act) of its own ordinary shares of 5 pence each in the capital of the Company 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 141,113,090;
- (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 2018 or the date of the next 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
UB11 1TD

Registered Number 00103548

By order of the Board

Stuart Morgan
Company Secretary
12 April 2017

NOTES TO NOTICE OF ANNUAL GENERAL MEETING

1. The venue for the 2017 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 6ZZ or (b) a CREST Proxy Instruction (for UK registered members) (as set out in paragraph 19 below), in each case so that it is received no later than 2:30 p.m. on 15 May 2017. 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 0870 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, UB11 1TD during normal business hours any week day (Saturdays, Sundays and UK public holidays excepted) from the date of this document until 17 May 2017 (being the date of the 2017 AGM) and at the venue of the 2017 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 15 May 2017 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 share register after 6:00 p.m. on 15 May 2017, 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 2017 being the latest practicable date prior to the publication of this Notice, the Company had 1,411,130,897 ordinary shares in issue, carrying one vote each. Therefore the total voting rights in the Company are 1,411,130,897. 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/agm2017.
17. Voting on all Resolutions will be conducted by way of a poll. 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.
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/CREST). 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 is a professional Director based in New Zealand.
- Other current appointments: Mike is 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 over 25 years' experience in banking and investment banking.
- Qualifications: Mike has an LLB / BCom from Otago University, New Zealand.

Ruth Anderson

Independent Non-Executive Director

- Committee membership: Audit and Risk (Chair), Nomination.
- Key skills and experience: Ruth is a chartered accountant with more than 30 years' experience of working for the accounting firm KPMG LLP.
- Other current appointments: Ruth is a Non-Executive Director at Ocado Group plc and Travis Perkins plc and chairs the audit committees at both. She is also a Trustee of The Royal Parks and a Trustee of the charity The Duke of Edinburgh's Award.
- Previous relevant experience: During her career with the accounting firm KPMG LLP Ruth worked from student accountant to UK Vice Chairman and advised many global businesses.
- Qualifications: Ruth has a BA in French and Spanish from the University of Bradford. She is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Chartered Institute of Taxation.

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 10 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 spending six years 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: Until the completion of its asset disposal programme in early 2015, Nicholas was 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.

APPENDIX 1

BIOGRAPHICAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION CONTINUED

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: Mike is currently Chairman of Which? Ltd, the Senior Independent Director at Serco Group plc and Chairman of BIOSS. He is also President of the Chartered Management Institute (CMI) and a governor of the Royal Shakespeare Company (RSC).
- Previous relevant experience: Mike 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.

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: In December 2014, David retired from Diageo plc where he had most recently held the role of President of Global Supply and Procurement. He led a 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).

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 LL Bean, the US retailer.
- Other current appointments: Fran is currently a Non-Executive Director of a number of US companies including Vera Bradley, 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 started her career as a Market Research Analyst at Star Market, the US grocery chain. 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 has an MBA from the Harvard Business School.

APPENDIX 1

BIOGRAPHICAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION CONTINUED

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. He 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 chairs Griffin Growth Partners, a specialist strategic advisory firm focused on growing markets in Asia. 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 March 2015. He has over 30 years of commercial experience which spans multiple disciplines, including M&A, digital and leading large complex businesses. Rajiv joined Coats in November 2010 as Global CEO Industrial with responsibility for leading the global Industrial business.
- Other current appointments: Rajiv does not currently have any other external appointments.
- Previous relevant experience: Rajiv has experience running businesses at other long standing global manufacturing companies including Honeywell, GE and Shell. The majority of his career has been dedicated to growing or turning around businesses.
- Qualifications: Rajiv holds a degree in Mechanical Engineering, as well as an MBA from the University of Pittsburgh, USA.

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