

10 January 2022

**Rotork plc ('Rotork' or the 'Company')**

**Section 430(2B) Companies Act 2006 Statement – Kevin Hostetler**

As announced on 10 January 2022, Kevin Hostetler stepped down from the Board and as Chief Executive Officer with effect from 10 January 2022. Kevin will continue to provide support to the incoming Chief Executive Officer, Kiet Huynh, until his employment with Rotork ceases on 30 June 2022 ('Departure Date').

**Salary and benefits**

Kevin will continue to receive his current salary of £624,218 p.a. (subject to annual review in line with the wider workforce) and benefits (including pension contribution of 20%) monthly up until the Departure Date.

Kevin will also be entitled to certain benefits in connection with his loss of office in line with the Company's Directors' Remuneration Policy, including equivalent relocation benefits to those incurred on appointment, a maximum of £10,000 plus VAT per annum towards UK and US tax advice in relation to remuneration received in the relevant tax years and £5,000 plus VAT towards legal fees incurred in connection with his departure.

**Annual bonus**

Kevin will remain eligible to be considered for a 2021 annual bonus award, subject to an assessment of the relevant performance measures. The maximum bonus opportunity in relation to the 2021 financial year will be £928,745. Kevin will be eligible to be considered for a pro rata 2022 annual bonus award based on his contribution during 2022. The maximum bonus opportunity in relation to the 2022 financial year will be £468,164 (subject to annual review in line with the wider workforce). Any amounts awarded in respect of the 2022 annual bonus will be fully disclosed in the 2022 Directors' Remuneration Report. Any amount either awarded, or subject to deferral in shares under the rules of the Deferred Annual Bonus Plan ('DABP') will be disclosed in the appropriate Directors' Remuneration Report.

**Share Plans**

Kevin has been granted good leaver status, in accordance with the respective share plan rules, in respect of his existing DABP awards, the 2019 LTIP which is due to vest on 16 May 2022 and the 2020 and 2021 LTIP awards that are due to vest after his Departure Date. Any vesting of Kevin's existing LTIP awards will be pro-rated for the period until the Departure Date and will be subject to the achievement of the required performance conditions and the relevant rules.

Details of Kevin's outstanding awards under the DABP and LTIP are as follows:

<b>Award</b>	<b>Number of shares subject to award</b>	<b>Maximum number of shares which could vest</b>	<b>Vesting date</b>	<b>End of holding period</b>
2018 DABP	71,783	71,783	05/03/2022	n/a
2019 DABP	59,362	59,362	03/03/2023	n/a
2020 DABP	18,533	18,533	08/03/2024	n/a
2019 LTIP	315,015	315,015	16/05/2022	16/05/2024
2020 LTIP	412,941	306,972	07/04/2023	07/04/2025
2021 LTIP	336,951	142,473	24/03/2024	24/03/2026

Any vesting of his share awards, together with such dividend entitlements to be settled in the form of additional shares, will continue to be subject to the above post-vesting holding requirements and will be disclosed, as required, in the appropriate Directors' Remuneration Report.

Kevin will receive an LTIP award under the rules of the 2019 Long Term Incentive Plan at the normal annual grant date, anticipated to be in late March 2022. After prorating to the Departure Date, the maximum number of shares which could vest will have a grant value of no more than approximately 18% of his salary.

As an employee leaving Rotork, with effect from the Departure Date, Kevin will no longer participate in the Company's Share Incentive Plan ('SIP') and shares held in the SIP trust (the 'Trust') on his behalf will be removed from the Trust.

### **Further information**

Other than as set out above, no other remuneration payment or any payment for loss of office of the type specified in Section 430(2B) Companies Act 2006 will be made to Kevin Hostetler. The relevant remuneration information will be included in Rotork's 2021 Directors' Remuneration Report and subsequent years, as appropriate. The information contained in this document will be made available until Rotork's 2022 Directors' Remuneration Report is published.

*Update as at 6<sup>th</sup> April 2022:*

*On 4 April 2022, the Company and Kevin Hostetler agreed to amend the termination date of his employment from 30 June 2022 to 17 April 2022. Mr Hostetler's 2022 bonus, and his outstanding awards under the DABP and LTIP schemes will be pro-rated to 17 April 2022. The Company has also retained access to Mr Hostetler on a consultancy basis for a short period to ensure the smooth conclusion of the CEO transition. Payments under this consultancy arrangement will not exceed the salary that would have been payable until 30 June 2022. Overall, payments to be made by the Company to Mr Hostetler will be lower in aggregate than the amounts set out in the s430(2B) statement shown above. Further details will be included in Rotork's 2022 Directors' Remuneration Report and subsequent years, as appropriate.*