



**Notice of AGM**

**Renold Plc**

**2022 Annual General Meeting**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you should consult your stockbroker, solicitor, accountant or other professional investment adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your holding of Ordinary Shares in Renold Plc, please forward this document, together with the accompanying documents, to the purchaser or transferee or to the stockbroker, bank or other agent through or to whom the sale was effected for transmission to the purchaser or transferee.

Notice of the 2022 Annual General Meeting of the Company to be held at Trident 2, Trident Business Park, Styal Road, Wythenshawe, Manchester, M22 5XB on 6 September 2022 at 11 am is set out on pages 6 to 10 inclusive. Whether or not Ordinary Shareholders propose to attend the 2022 Annual General Meeting, Ordinary Shareholders are requested to complete and return the enclosed form of proxy so as to be received by the Company's registrars, Link Group, at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL no later than 11 am on 2 September 2022. The return of a form of proxy will not preclude an Ordinary Shareholder from attending and voting at the 2022 Annual General Meeting should they subsequently decide to do so.

## Definitions

The following definitions apply throughout this document:

**2006 Act** means the Companies Act 2006;

**2022 Annual General Meeting (or 2022 AGM)** means the annual general meeting of the Company to be held at Trident 2, Trident Business Park, Styal Road, Wythenshawe, Manchester, M22 5XB on 6 September 2022 at 11 am;

**AIM Rules** means the rules published by London Stock Exchange Plc governing the regulation of AIM companies as amended or re-issued from time to time;

**Board** means the Board of Directors of Renold Plc;

**Company or Renold** means Renold Plc (incorporated and registered in England and Wales with number 249688);

**Deeds of Release** means the Preference Shareholders' Deed of Release and the Directors' Deed of Release;

**Directors** means the Directors of the Company and **Director** means any of them;

**Directors' Deed of Release** means a deed of release by which the Company waives any rights to make claims against the Relevant Directors and the Relevant Former Directors in respect of the Relevant Distributions;

**Notice of Annual General Meeting** means the notice convening the 2022 Annual General Meeting set out on pages 6 to 10 inclusive of this document;

**Ordinary Shareholder** means a holder of Ordinary Shares;

**Ordinary Shares** means ordinary shares of 5p each in the capital of the Company;

**Preference Shareholders** means the holders of Preference Stock;

**Preference Shareholders' Deed of Release** means a deed of release by which the Company waives any rights to make claims against the Recipient Shareholders in respect of the Relevant Distribution;

**Preference Stock** means 6% cumulative preference stock of £1 each in the capital of the Company;

**Recipient Shareholder** means a current or former Preference Shareholder of the Company who appeared on the register of members on the record date for any of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased);

**Relevant Directors** means David Landless, Robert Purcell, Tim Cooper, Jim Haughey, and Andrew Magson;

**Relevant Distributions** means the aggregate dividends of £69,657.84 paid by the Company on 1 July 2019, 2 January 2020, 1 July 2020 and 2 January 2021 which were unlawful by reason of irregularities under the 2006 Act, as described in this document;

**Relevant Former Directors** means Mark Harper, Ian Scapens and Ian Griffiths;

**Resolutions** means the resolutions set out in the Notice of Annual General Meeting, and a reference to a numbered Resolution is to the resolution so numbered in the Notice of Annual General Meeting; and

**Shareholders** means the shareholders of the Company.

Incorporated and registered in England and Wales with number 249688

4 August 2022

Directors:

David Landless (Chair)  
Robert Purcell (Chief Executive)  
Jim Haughey (Group Finance Director)  
Tim Cooper (Senior Independent Non-Executive Director)  
Andrew Magson (Non-Executive Director)  
Victoria Potter (Non-Executive Director)

**To Ordinary Shareholders and, for information only, to Preference Shareholders**

Dear Ordinary Shareholder

Renold will be holding its 2022 Annual General Meeting at Trident 2, Trident Business Park, Styal Road, Wythenshawe, Manchester, M22 5XB at 11 am on 6 September 2022. The formal Notice of Annual General Meeting is set out on pages 6 to 10 inclusive of this document.

This year the Board are planning to have a physical meeting where Ordinary Shareholders will be able to meet with the Board, however developments in relation to the COVID-19 pandemic will be closely monitored as the health and wellbeing of the Company's shareholders, employees and customers continue to remain of paramount importance. Renold strongly encourages shareholders to appoint the Chair of the meeting as their proxy to ensure that all votes can be counted and exercised at the 2022 Annual General Meeting.

The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the 2022 AGM.

In the remainder of this letter I seek to explain certain elements of the business to be considered at the 2022 Annual General Meeting.

Resolutions 1 to 11 will be proposed as ordinary resolutions and Resolutions 12 to 15 will be proposed as special resolutions. The proposed ordinary resolutions will be passed if more than 50% of the votes cast are in favour and the proposed special resolutions will be passed if at least 75% of the votes cast are in favour.

***The ordinary business to be proposed at the 2022 Annual General Meeting***

The ordinary business to be proposed at the 2022 Annual General Meeting is set out in Resolutions 1 to 10 inclusive.

**To receive the Annual Report and Accounts for the financial year ended 31 March 2022 (Resolution 1)**

The Directors are required by the 2006 Act to lay the audited report and accounts of the Company and its subsidiaries before the shareholders each year at the annual general meeting.

**Approval of the Directors' Remuneration Report (Resolution 2)**

The Directors' Remuneration Report is set out in full on pages 80 to 97 of the 2022 Annual Report and Accounts. Resolution 2 is an ordinary resolution to approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy). Resolution 2 is an advisory Resolution and, accordingly, the entitlement of a director to remuneration is not made conditional on the Resolution being passed.

**Approval of the Directors' Remuneration Policy (Resolution 3)**

The Directors' Remuneration Policy is set out in full on pages 85 to 89 of the 2022 Annual Report and Accounts. Resolution 3 is an ordinary resolution to approve the Directors' Remuneration Policy which will take effect from the date the Resolution is passed. The vote on the Directors' Remuneration Policy is advisory and non-binding. The Remuneration Committee has undertaken a detailed review of the Remuneration Policy adopted in 2019 and has consulted with PricewaterhouseCoopers LLP as advisor to the Remuneration Committee. The revised Remuneration Policy is in substantially the same form as the Remuneration Policy adopted in 2019 with the Company's current strategy remaining broadly in line with the strategy referenced in 2019. The Remuneration Policy ensures remuneration arrangements remain aligned with the interests of the Company's shareholders and current best practice.

**Directors (Resolutions 4 to 8)**

In accordance with accepted practice, Tim Cooper, Andrew Magson and I, as Non-Executive Directors, will put ourselves forward for re-election by the Ordinary Shareholders, with the recommendation of the Board.

In addition, under Article 110.2 of the Company's Articles of Association, any Director who was not elected or re-elected at either of the two preceding annual general meetings of the Company is obliged to retire by rotation at the next following annual general meeting and be eligible for re-election. Robert Purcell will therefore retire and offer himself for re-election, with the endorsement of the Board and in accordance with the Company's Articles of Association.

In May this year we announced that a new Non-Executive Director, Victoria Potter, had been appointed. Under Article 110.1 of the Company's Articles of Association, new Directors are required to stand for election at the next annual general meeting of the Company following their appointment. Accordingly, Victoria will seek election at the 2022 Annual General Meeting of the Company.

Brief biographical details of each Director subject to election/re-election can be found in the Annex to the Notice of Annual General Meeting.

### **Auditors (Resolutions 9 to 10)**

Resolution 9 relates to the appointment of BDO LLP as the Company's Auditor to hold office until the next annual general meeting of the Company. A tender process was held, and the Audit Committee considered two choices and recommended to the Board one candidate for external Auditor. Following consideration by the Board, BDO LLP were appointed as auditor subject to the confirmation of their appointment at the 2022 AGM. The Company's current auditor, Deloitte LLP, will cease to hold office as the Company's auditor with effect from the conclusion of the 2022 AGM (and will not stand for re-appointment at the meeting).

Resolution 10 seeks shareholders' authorisation for the Board to authorise the Directors to determine the remuneration of the auditors.

### ***The special business to be proposed at the 2022 Annual General Meeting***

In addition to the ordinary business, you will find Resolutions 11 to 15 inclusive, which will be proposed at the 2022 Annual General Meeting as special business. A detailed explanation of Resolutions 11 to 15 follows.

### **Authority to allot Ordinary Shares (Resolution 11)**

Resolution 11 deals with the Directors' authority to allot shares. The Directors are currently authorised to allot relevant securities of the Company but their authorisation ends on the date of the 2022 Annual General Meeting. This resolution seeks to renew the Directors' authority to allot shares.

In accordance with the guidance issued by The Investment Association (**IA**), Resolution 11 will, if passed, give the Directors the authority to allot Ordinary Shares or grant rights to subscribe for or convert any securities into Ordinary Shares up to a maximum nominal amount of £7,506,410 representing 150,128,215 Ordinary Shares and approximately 66.6% of the issued ordinary share capital of the Company as at the date of this document. Of this amount, 75,064,107 Ordinary Shares representing approximately 33.3% of the issued ordinary share capital of the Company can only be allotted pursuant to a fully pre-emptive rights issue. The Directors have no present intention of exercising this authority. However, if they do exercise the authority, the Directors intend to follow best practice as regards its use as recommended by the IA.

This authority would expire on the earlier of the conclusion of the Company's next annual general meeting and 6 December 2023. The Board intends to seek its renewal at subsequent annual general meetings of the Company.

As at the date of this document, the Company held no shares in treasury.

### **Disapplication of statutory pre-emption provisions (Resolutions 12 and 13)**

Resolution 12 seeks to renew the authority conferred on the Directors at last year's annual general meeting to issue Ordinary Shares for cash without complying with the pre-emption rights in the 2006 Act in certain circumstances.

If approved, Resolution 12 will authorise the Directors to issue shares in connection with a rights issue or other similar issue and otherwise to issue shares for cash up to a maximum nominal amount of £563,544.35, which includes the sale on a non pre-emptive basis of any shares the Company may hold in treasury for cash. The maximum nominal amount of equity securities to which this authority relates represents approximately 5% of the issued ordinary share capital of the Company as at the date of this document.

Resolution 13 will, in addition to any authority granted pursuant to Resolution 12 above, give the Directors authority to allot equity securities free of pre-emption rights, up to a maximum nominal amount of £563,544.35, representing an additional 5% of the issued ordinary share capital, for transactions which the Board determines to be an acquisition or other specified capital investment.

The disapplication authorities proposed by Resolutions 12 and 13 are in line with institutional shareholder guidance, and in particular with the Pre-Emption Group's Statement of Principles (**Pre-Emption Principles**). The Pre-Emption Principles were revised in 2015 to allow the authority for an issue of shares otherwise than in connection with a pre-emptive offer to be increased from 5% to 10% of the Company's issued ordinary share capital, provided that the Company confirms that it intends to use the additional 5% authority only in connection with an acquisition or specified capital investment. The Board therefore confirms, in accordance with the Pre-Emption Principles, that to the extent that the authority in paragraph (a) of Resolution 13 is used for an issue of Ordinary Shares in addition to the amount referred to at paragraph (b) of Resolution 12, it intends that it will only be used in connection with an acquisition or specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

To reflect best practice, as set out in the Pre-Emption Group's monitoring report and template resolutions published in May 2016, Resolutions 12 and 13 are proposed as two separate Resolutions.

If granted, Resolutions 12 and 13 would expire on the earlier of the Company's next annual general meeting and 6 December 2023.

### **Authority to purchase Ordinary Shares (Resolution 14)**

Resolution 14 seeks shareholders' authority for the Company to make market purchases of its own Ordinary Shares. The Directors have no present intention of exercising this authority, but would wish to have the flexibility to do so in the future. Purchases of its own Ordinary Shares would only be made through the London Stock Exchange. Any Ordinary Shares purchased would be cancelled (in which case the number of Ordinary Shares in issue would thereby be reduced) or held in treasury, depending on which course of action is considered by the Directors to be in the best interests of the shareholders at that time.

As stated above, the Directors have no present intention of exercising the authority to purchase the Company's Ordinary Shares but will keep the matter under review and will only exercise the authority to make purchases of Ordinary Shares granted by Resolution 14 if they believe that to do so would result in an improvement in earnings per share and/or is in the best interests of the shareholders generally. The maximum number of Ordinary Shares which may be purchased is 22,541,774 representing approximately 10% of the issued Ordinary Shares as at the date of this document. The authority would expire on the earlier of the conclusion of the Company's next annual general meeting and 6 December 2023. The minimum price that could be paid for an Ordinary Share would be the nominal value of such Ordinary Share and the maximum price would be the higher of (i) 5% above the average of the middle market quotations of the Ordinary Shares (as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange) for the five business days immediately prior to the contracted purchase date and (ii) the highest current independent bid for any number of Ordinary Shares on the London Stock Exchange, in each case excluding expenses.

As at 29 July 2022, options over a total of 18,053,981 Ordinary Shares were outstanding and not exercised. That number of Ordinary Shares represents approximately 8.0% of the Company's total issued ordinary capital as at the same date. It would represent approximately 8.9% of the issued ordinary share capital if the authority to purchase the Company's own Ordinary Shares conferred by Resolution 14 had been exercised in full at that date and the shares so purchased had been cancelled.

### **Dividend Rectification (Resolution 15)**

As noted in our Annual Report and Accounts for the year ended 31 March 2022, the Board has become aware of an issue concerning technical compliance with the 2006 Act in relation to the payment of dividends (amounting in aggregate to £69,657.84) to Preference Shareholders between 1 July 2019 and 2 January 2021.

The effect of a prior year adjustment to the Annual Report and Accounts for the year ended 31 March 2020 (which had an impact upon prior accounting periods) is that the four dividend payments paid to Preference Shareholders between 1 July 2019 and 2 January 2021 were paid at a time when the Company did not hold adequate distributable reserves. However, there were sufficient reserves held in subsidiaries of the Company which could have been distributed to the Company in order to provide the Company with adequate reserves.

To satisfy the steps required to rectify the 2006 Act breach, it is proposed that the Company puts forward Resolution 15.

The Company has been advised that, as a consequence of the Relevant Distributions having been paid otherwise than in accordance with the 2006 Act, it may have claims against past and present Preference Shareholders who were recipients of the Relevant Distributions and against persons who were directors of the Company at the time of payment of the Relevant Distributions. The Board notes, however, that the Company has no intention of bringing any such claims.

Resolution 15 (which is proposed in four linked parts), and which will be proposed as a special resolution, asks Ordinary Shareholders to:

- a) approve the appropriation of the historic profits of the Company to the Relevant Distributions concerned;
- b) waive any and all claims which the Company has or may have against its Preference Shareholders who appeared on the register of shareholders on the record date for the Relevant Distributions (or personal representatives and their successors in title of the estates of any deceased shareholders) in respect of the payment of the Relevant Distributions, such waiver to be effected by way of the entry by the Company into the Preference Shareholders' Deed of Release;
- c) treat any such release as being equivalent to the Relevant Distributions that were originally paid; and
- d) waive any and all claims which the Company has or may have against its directors and former directors and the personal representatives (and their successors in title) of the estates of any deceased directors and former directors in respect of the payment of the Relevant Distributions, such waiver to be effected by way of the entry by the Company into the Directors' Deed of Release.

The purpose of Resolution 15 is to put the Recipient Shareholders, the Relevant Directors and the Relevant Former Directors into the position in which they were always intended to be had the Relevant Distributions been paid fully in accordance with the requirements of the 2006 Act. The approach that the Company is proposing by way of Resolution 15 is consistent with the approach taken by other UK incorporated companies whose shares are admitted to trading on the London Stock Exchange and who have also made distributions otherwise than in technical compliance with the 2006 Act.

The approach that the Company is proposing involves the authorisation of the appropriation of the distributable profits of the Company (as shown by the audited accounts of the Company for the relevant financial years) to the payment of the Relevant Distributions.

As a matter of common law, it is necessary for the appropriation of distributable profits to be approved by the Ordinary Shareholders. The Company has also been advised that it is preferable for Ordinary Shareholders to approve the Company's entry into the Preference Shareholders' Deed of Release, since the release of Recipient Shareholders from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions will, insofar as those persons remain shareholders of the Company, comprise a shareholder distribution.

**The proposed authorisation of the appropriation of the Company's distributable profits to the payment of the Relevant Distributions and the entry by the Company into the Preference Shareholders' Deed of Release will not, however, have any effect on the Company's financial position. This is because the aggregate amount of the Relevant Distributions is equal to and offset by the release of each Recipient Shareholder from the liability to repay the amounts already paid, and the Company will not be required to make any further payments to shareholders in respect of the Relevant Distributions.**

A copy of the final form of the Preference Shareholders' Deed of Release and the Directors' Deed of Release is available on the Company's website at <http://investors.renold.com> and in hard copy during normal business hours on any day (except for Saturdays, Sundays and bank or public holidays) at the registered office of the Company and at the offices of Eversheds Sutherland (International) LLP, Two New Bailey, Stanley Street, Manchester, M3 5GX up to the time of the 2022 Annual General Meeting. Copies will also be available at the place of the 2022 Annual General Meeting until the conclusion of the meeting.

### ***Related Party Transactions***

The entry by the Company into the Preference Shareholders' Deed of Release and consequential waiver of any rights of the Company to make claims against Preference Shareholders in respect of the Relevant Distributions constitutes a related party transaction pursuant to Rule 13 of the AIM Rules in respect of Fiske Nominees Limited, as a result of owning (non-voting) Preference Stock totalling in excess of 10 per cent.

In addition, the entry by the Company into the Directors' Deed of Release and consequential waiver of any rights of the Company to make claims against past and present directors in respect of the Relevant Distributions, constitutes a related party transaction pursuant to Rule 13 of the AIM Rules as each of the Directors, excluding Victoria Potter, is a related party for the purposes of the AIM Rules. As a result, in line with best practice, Resolution 15 must be approved by the Ordinary Shareholders who are not interested related parties in respect of the Directors' Deed of Release. Accordingly, each of the Relevant Directors and their respective associates are precluded from voting on Resolution 15 and the Relevant Directors have undertaken to abstain, and to take all reasonable steps to ensure that their respective associates, abstain from voting on Resolution 15.

### ***Action to be taken***

A reply-paid form of proxy for use at the 2022 Annual General Meeting is enclosed. Whether or not you are able to attend the 2022 Annual General Meeting, you are strongly advised to complete, sign, date and return the form of proxy in accordance with the instructions printed on it so as to arrive at the offices of the Company's registrars, Link Group, at 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible but, in any event, no later than 11 am on 2 September 2022.

### ***Recommendation***

The Board considers that the passing of Resolutions 1 to 14 inclusive is likely to promote the success of the Company and is in the best interests of the Company and of its shareholders as a whole and the Board unanimously recommends that you vote in favour of them, as each of the Directors who hold Ordinary Shares, and certain persons connected with the Directors who hold Ordinary Shares intend to do in respect of their own beneficial holdings of Ordinary Shares, being approximately 3.15% in aggregate of the Ordinary Shares in issue as at 29 July 2022 (being the latest practicable date prior to the publication of this document).

Given the interests of each of the Relevant Directors in Resolution 15 it is not appropriate for the Board to provide a recommendation in this instance.

Victoria Potter is considered to be "independent" for the purposes of AIM Rule 13 in respect of Resolution 15. Having consulted with the Company's nominated adviser, Peel Hunt LLP, the independent Director considers that Resolution 15 (and specifically the entry by the Company into the Preference Shareholders' Deed of Release and the Directors' Deed of Release) is fair and reasonable insofar as the shareholders of the Company are concerned.

Peel Hunt LLP of 100 Liverpool Street, London, EC2M 2AT has given and has not withdrawn its written consent to the issue of this document with the inclusion in this document of its name in the form and context in which it appears and a copy may be inspected at the registered office of the Company and at the offices of Eversheds Sutherland (International) LLP, Two New Bailey, Stanley Street, Manchester, M3 5GX during normal business hours on any day (except for Saturdays, Sundays and bank or public holidays) up to the time of the 2022 Annual General Meeting. A copy will also be available at the place of the Annual General Meeting until conclusion of the meeting.

Yours faithfully

**David Landless**

Chair

# Renold Plc

## Notice of Annual General Meeting

Notice is hereby given that the 2022 Annual General Meeting of Renold Plc will be held at 11 am on 6 September 2022 at Trident 2, Trident Business Park, Styal Road, Wythenshawe, Manchester, M22 5XB to consider and, if thought fit, pass the following resolutions.

You will be asked to consider and vote on the Resolutions below. Resolutions 1 to 11 inclusive will be proposed as ordinary resolutions and Resolutions 12 to 15 inclusive will be proposed as special resolutions.

### **Ordinary business**

1. To receive and consider the Company's annual accounts, together with the Directors' Report and the Auditor's Report, for the financial year ended 31 March 2022.
2. To approve the Directors' Remuneration Report, other than the Directors' Remuneration Policy, in the form set out on pages 80 to 97 in the Company's Annual Report and Accounts for the year ended 31 March 2022.
3. To approve the Directors' Remuneration Policy, set out on pages 85 to 89 in the Company's Annual Report and Accounts for the year ended 31 March 2022.
4. To re-elect David Landless as a Director of the Company.
5. To re-elect Tim Cooper as a Director of the Company.
6. To re-elect Andrew Magson as a Director of the Company.
7. To re-elect Robert Purcell as a Director of the Company.
8. To elect Victoria Potter as a Director of the Company.
9. To appoint BDO LLP as auditors of the Company, to hold office from the conclusion of the meeting until the conclusion of the next meeting at which accounts are laid before the Company.
10. To authorise the Directors to determine the auditors' remuneration.

### **Special business**

11. That the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the 2006 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, such shares in the Company (**Allotment Rights**), but so that:
  - a) the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £7,506,410, of which:
    - (i) one half may be allotted or made the subject of Allotment Rights in any circumstances; and
    - (ii) the other half may be allotted or made the subject of Allotment Rights pursuant to any rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them or pursuant to any arrangements made for the placing or underwriting or other allocation of any shares or other securities included in, but not taken up under, such rights issue;
  - b) this authority shall expire on the earlier of the date of the next annual general meeting of the Company or on 6 December 2023;
  - c) the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry; and
  - d) all authorities vested in the Directors on the date of the notice of this meeting to allot shares or to grant Allotment Rights that remain unexercised at the commencement of this meeting are revoked.
12. That if Resolution 11 as set out in this notice is passed, and in accordance with Article 15 of the Articles of Association of the Company, the Directors be empowered pursuant to section 570 of the 2006 Act, to allot equity securities (as defined in section 560 of that Act), pursuant to the authority conferred on them by Resolution 11 in this notice of meeting or by way of a sale of treasury shares as if section 561 of that Act did not apply to any such allotment, provided that this power is limited to:
  - a) the allotment of equity securities in connection with any rights issue or open offer or any other pre-emptive offer that is open for acceptance for a period determined by the Directors to the holders of Ordinary Shares on the register on any fixed record date in proportion to their holdings of Ordinary Shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject in each case to such exclusions or other arrangements as the Directors may deem necessary or appropriate in relation to fractions of such securities, the use of more than one currency for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and
  - b) the allotment of equity securities (other than pursuant to paragraph (a) above) with an aggregate nominal value of £563,544.35, and shall expire when the authority conferred on the Directors by Resolution 11 in this notice of meeting expires save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry.
13. That if Resolution 11 as set out in the notice of this meeting is passed, and in accordance with Article 15 of the Articles of Association of the Company, the Board be authorised pursuant to section 570 of the 2006 Act in addition to any authority granted under Resolution 12 as set out in the notice of this meeting to allot equity securities (as defined in section 560 of the 2006 Act) for cash under the authority given by that resolution and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561(1) of the 2006 Act did not apply to any such allotment or sale, such authority to be:
  - a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £563,544.35; and



- b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board determines to be an acquisition or another capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

and shall expire when the authority conferred on the Directors by Resolution 11 in this notice of meeting expires save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry.

- 14. That the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of the 2006 Act) of Ordinary Shares and, where shares are held as treasury shares, to use them, inter alia, for the purposes of employee share plans operated by the Company, provided that:

- a) the maximum aggregate number of Ordinary Shares that may be purchased under this authority is 22,541,774;
- b) the minimum price exclusive of any expenses which may be paid for any Ordinary Share shall not be less than the nominal value of such Ordinary Share at the time of the purchase;
- c) the maximum price (exclusive of expenses) which may be paid for such Ordinary Shares shall be the higher of (i) 5% above the average of the middle market quotations of the Ordinary Shares (as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange) for the five business days immediately prior to the contracted purchase date and (ii) the highest current independent bid for any number of Ordinary Shares on the London Stock Exchange;
- d) the authority conferred by this Resolution 14 in this notice of meeting shall expire on the earlier of the conclusion of the Company's next annual general meeting and 6 December 2023; and
- e) before such expiry the Company may enter into a contract to purchase shares that would or might require a purchase to be completed after such expiry.

- 15. Unlawful Dividend Rectification

That:

- (i) in respect of the dividends paid by the Company to current and former Preference Shareholders on 1 July 2019, 2 January 2020, 1 July 2020 and 2 January 2021 (the **Relevant Distributions**), the appropriation of distributable profits of the Company (as shown in the audited accounts of the Company for the financial period in which the Relevant Distributions were paid) to such payment, to the extent that such payment represented, at the time at which it was made, an unlawful dividend, be and it is hereby ratified and confirmed;
- (ii) any and all claims which the Company has or may have arising out of or in connection with the payment of the Relevant Distributions against its Preference Shareholders who appeared on the register of shareholders on the record date for the Relevant Distributions (or the personal representatives and their successors in title (as appropriate) of a Preference Shareholder's estate if he or she is deceased) be waived and released, and a deed of release in favour of such Preference Shareholders (or the personal representatives and their successors in title (as appropriate) of a Preference Shareholder's estate if he or she is deceased) be entered into by the Company in the form produced to the meeting and initialled by the Chair for the purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a deed for and on behalf of the Company (the **Preference Shareholders' Release**);
- (iii) any distribution involved in the giving of the Preference Shareholders' Release in relation to the unlawful element of the Relevant Distributions be made out of the profits appropriated to the unlawful element of such Relevant Distributions pursuant to paragraph (i) above by reference to a record date identical to the record date for the Relevant Distributions; and
- (iv) any and all claims which the Company has or may have against each of its directors and former directors or the personal representatives and their successors in title (as appropriate) of his or her estate if such director or former director is deceased, arising out of or in connection with the approval, declaration or payment of the Relevant Distributions be waived and released and that a deed of release in favour of each of such directors and former directors (or the personal representatives and their successors in title of his or her estate if such director or former director is deceased) be entered into by the Company in the form produced to the meeting and initialled by the Chair for the purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a deed for and on behalf of the Company.

By order of the Board

**Andrew Batchelor**

Company Secretary

Renold Plc

Registered office:

Trident 2

Trident Business Park

Styal Road

Wythenshawe

Manchester

M22 5XB

(Registered in England and Wales with number 249688)

Dated 4 August 2022



## Notes

### Notice of Annual General Meeting Notes:

The following notes explain your general rights as a shareholder and your right to attend and vote at this annual general meeting (or **Meeting**) or to appoint someone else to vote on your behalf.

1. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the Register of Members of the Company at close of business on 2 September 2022. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
2. Shareholders, or their proxies, intending to attend the Meeting in person are requested, if possible, to arrive at the Meeting venue at least 20 minutes prior to the commencement of the Meeting at 11 am (UK time) on 6 September 2022 so that their shareholding may be checked against the Company's Register of Members and attendances recorded.
3. Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to attend and to speak and vote on their behalf at the Meeting (as detailed in note 6 below). A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company.
4. 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).
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. Any member wishing to vote at the meeting without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so. Forms for the appointment of a proxy that can be used for this purpose have been provided to members with this notice of meeting. To be valid, a proxy appointment form must be completed in accordance with the instructions that accompany it and then delivered (together with any power of attorney or other authority under which it is signed, or a certified copy of such item) to the Company's registrars, Link Group, at 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to be received by 11am (UK time) on 2 September 2022 (or in the case of adjournment, by the time 48 hours, excluding non-working days, before the time appointed for the adjourned meeting). Alternatively, you may vote electronically at [www.signalshares.com](http://www.signalshares.com). You will require your username and password to use the portal to log in and vote. If you have not previously registered to use the portal you will require your investor code (IVC) which can be found on your proxy card. Members who hold their shares in uncertificated form may also use the 'CREST voting service' to appoint a proxy electronically, as explained below.
7. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. The return of a completed form of proxy, electronic filing or any CREST Proxy Instruction (as described in note 11 below) will not prevent a shareholder from attending the Meeting and voting in person if he/she wishes to do so.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). 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.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by 11 am (UK time) on 2 September 2022. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer'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.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. 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 a 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 system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

12. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares. Any such representative should bring to the meeting written evidence of his appointment, such as a certified copy of a board resolution of, or a letter from, the corporation concerned confirming the appointment.
13. As at the date of this document the Company's issued share capital consists of 225,417,740 Ordinary Shares, all carrying one vote each and 580,482 units of 6% cumulative preference stock of £1 each carrying no voting rights. The Company does not hold any shares in treasury. Accordingly, the total voting rights in the Company are 225,417,740 Ordinary Shares.
14. Under Section 527 of the Companies Act 2006, shareholders 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 financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the Meeting, or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. 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 Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, 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 Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.
15. Any shareholder attending the Meeting has the right to ask questions. The Company must cause to be answered 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.
16. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this Notice until the time of the Meeting and may also be inspected at the Meeting venue, as specified in this Notice, from 11 am on the day of the Meeting until the conclusion of the Meeting: copies of the Directors' letters of appointment or service contracts.
17. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at <http://investors.renold.com>

## Annex

Biographical details of Directors submitted for election/re-election.

### **David Landless**

#### ***Chair***

David, aged 62, was appointed to the Board as a Non-Executive Director on 9 January 2017, became Chair of the Audit Committee on 19 July 2017 and was appointed as Senior Independent Director on 13 November 2019. David became the Chair of Renold on 23 August 2021. As a fellow of the Chartered Institute of Management Accountants David has significant experience at senior levels of international businesses in the industrials sector. He was most recently Group Finance Director of Bodycote plc from 1999 until his retirement on 1 January 2017. Prior to that, he held a range of finance roles for 15 years at Courtaulds in the UK and US, latterly as Finance Director of Courtaulds Coatings (Holdings) Limited, from 1997 to 1999. David is currently a Non-Executive Director of Ausurus Group Limited, which is the holding company for European Metal Recycling Limited as well as a Non-Executive Director and Chair of the Audit Committee of Innospec Inc. He was a Non-Executive Director of Luxfer Holdings plc from 2013 until June 2022, serving as Chair from 2019 until March 2022.

### **Tim Cooper**

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

Tim, aged 63, was appointed as a Non-Executive Director of Renold in November 2018 and became Chair of the Remuneration Committee on 13 November 2019. Tim was appointed as the Senior Independent Director on 23 August 2021. Tim was an Executive Director of Victrex Plc, a position he held from October 2012 until 30 September 2019. Tim joined Victrex in January 2010 as Managing Director of Victrex Polymer Solutions. Tim has over 30 years of international business management and commercial experience, having held senior leadership positions in a number of industries. Prior to joining Victrex, Tim was with Umeco Plc, initially as Managing Director of Aerovac Systems Ltd, but later becoming Group Managing Director of Umeco Composites Process Materials. He has been Managing Director of Tellermate Plc and Avery Berkel Ltd, having developed his international career with GEC, BP and Land Rover. Tim is currently the Senior Independent Non-Executive Director and Chair of the Remuneration Committee of Pressure Technologies Plc.

### **Andrew Magson**

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

Andrew, aged 55, was appointed to the Board as a Non-Executive Director on 1 December 2020 and became Chair of the Audit Committee on 23 August 2021. He is a Fellow of the Institute of Chartered Accountants in England and Wales and has career-long experience working in international industrial and manufacturing businesses owned by UK public companies. He was previously Group Finance Director of The Alumasc Group Plc from 2006 until 2020. Prior to that he was Group Financial Controller and Senior Corporate Finance manager at BPB Plc as it grew to become a FTSE 100 company. Andrew spent his earlier career at PwC in London where he was a Senior Manager, gaining significant experience in Audit and Corporate Finance. Andrew is also a Trustee of The Alumasc Group Pension Scheme and he chairs its Investment Committee.

### **Robert Purcell**

#### ***Chief Executive***

Robert, aged 60, joined the Group on 21 January 2013 as Chief Executive. Prior to joining Renold, Robert was Managing Director of Filtrona plc's Protection and Finishing Products Division. He has also held a Managing Director role at Low and Bonar plc within its technical textiles business. His early career was in operational management within Courtaulds plc, during which time he gained an MBA from the Cranfield School of Management.

### **Victoria Potter**

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

Victoria, aged 50, was appointed to the Board as a Non-Executive Director on 3 May 2022. She has broad management experience in international engineering and manufacturing companies. Victoria is currently the Chief Human Resources Officer and Customer Services Director for Oxford Instruments plc, a global FTSE 250 technology and manufacturing business. She has worked with Oxford Instruments since 2006, initially providing outsourced HR services across the group through her own consultancy business. Victoria joined Oxford Instruments permanently in January 2011 and was appointed to her current role and to the management board of Oxford Instruments in 2016. Victoria has a degree in Electrical and Electronic Engineering and an MA in Human Resources Management. Prior to working with Oxford Instruments, Victoria held engineering, project and operations management roles at Pepsico Inc. and ICI plc.

***RENOLD***

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