



Chairman's explanatory letter and Notice of Meeting

This document is important and requires your immediate attention.

If you are in any doubt about what action you should take, you are recommended to consult a stockbroker, bank manager, solicitor, accountant or other appropriate independent adviser immediately.

If you have recently sold or otherwise transferred all of your Rotork shares, please pass this document and the accompanying Form of Proxy to the purchaser or transferee, or to the agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Annual General Meeting

Friday 29 April 2016

29 March 2016

Dear Shareholder,

I am writing to inform you that the Annual General Meeting (the "AGM") of Rotork plc (the "Company") will be held on Friday 29 April 2016 at 12 noon at the Company's registered office at Rotork House, Brassmill Lane, Bath, BA1 3JQ. Details of the business to be considered are set out in the Notice of Meeting which follows this letter, together with notes about your rights as a shareholder and information regarding the appointment of proxies. I should like to make some comments on each of the matters to be transacted at the meeting.

Directors

Following the recommendations of the UK Corporate Governance Code (the "Code") all continuing directors will offer themselves for re-election at every AGM. Accordingly resolutions 3 to 10 seek to re-elect the directors of the Company and will all be proposed as ordinary resolutions.

A formal performance evaluation of the Board was completed earlier this month. Following the evaluation, which in my case was undertaken by the other non-executive directors in December 2015, I confirm that the performance of all the directors continues to be effective and demonstrates commitment to the role.

Full biographical and other details relating to the directors are contained in the Annual Report and Accounts for the year ended 31 December 2015 on pages 60 to 61.

Remuneration Report

The directors are required to prepare an annual report detailing the remuneration of the directors and a statement by the chairman of the Remuneration Committee (together, the "Directors' Remuneration Report"). The Company is required to seek shareholders' approval in respect of the contents of this report on an annual basis (excluding the part containing the Directors' Remuneration Policy (as defined below)). The vote is an advisory one.

The Company is separately required to seek shareholders' approval of its policy on remuneration of directors (the "Directors' Remuneration Policy") set out in the Directors' Remuneration Report on pages 74 to 88 of the Annual Report and Accounts at least every three years. As the Directors' Remuneration Policy was approved at the 2014 AGM and as no changes are proposed to the policy at this AGM, there will not be a resolution proposed this year in connection with the Directors' Remuneration Policy. The Directors' Remuneration Policy will be approved at the AGM to be held in 2017.

You can find the Directors' Remuneration Report on pages 74 to 88 of the Annual Report and Accounts. Accordingly, resolution 13, which will be proposed as an ordinary resolution, seeks approval of the Directors' Remuneration Report.

Authority to Allot Shares

Resolution 14 will be proposed as an ordinary resolution giving the directors a general authority to allot further shares of the Company, having an aggregate nominal value of £1,440,000 (representing 288,000,000 ordinary shares of 0.5 pence each). This represents approximately one third of the total ordinary share capital of the Company in issue at the date of this letter in accordance with institutional shareholder guidelines. The directors have no present intention of exercising this authority save to satisfy options exercised under the Company's United Kingdom all employee save as you earn scheme and to provide the flexibility to potentially satisfy the all employee free shares and the executive long term incentive share plans by allotment of shares. This authority will expire at the conclusion of the AGM to be held in 2017.

Resolution 15, which will be proposed as a special resolution, is to renew the directors' authority to issue equity securities for cash otherwise than in proportion to existing holdings. This authority is limited to shares having a maximum aggregate nominal value of £430,000 (representing 86,000,000 ordinary shares of 0.5 pence each) which represents just under 10% of the total ordinary share capital of the Company in issue at the date of this letter. This authority will expire at the conclusion of the AGM to be held in 2017.

The authority sought by this resolution represents an increase from the equivalent authority approved by shareholders at the 2015 AGM, in order to conform with revised investor guidance issued by the Pre-Emption Group. In seeking this authority, the Board confirms that it will only allot shares representing more than 5% of the issued ordinary share capital of the Company (excluding treasury shares), for cash pursuant to this authority where that allotment is in connection with an acquisition or specified capital investment (within the meaning given in the Pre-Emption Group's Statement of Principles) which is announced contemporaneously with the allotment, or which has taken place in the preceding six month period and is disclosed in the announcement of the allotment. The Board also confirms its 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 where the Principles provide that usage in excess of 7.5% of issued ordinary share capital of the Company (excluding treasury shares) should not take place without prior consultation with shareholders, except in connection with an acquisition or specified capital investment as referred to above.

Authority to Purchase Own Shares

Under resolution 16, which will be proposed as a special resolution, the Company will seek to renew the current limited authority to make purchases in the market of its own ordinary shares subject to specified limits including the minimum and maximum prices which may be paid.

The maximum number of ordinary shares which the Company may purchase pursuant to this authority is limited to a maximum of 86,000,000 ordinary shares of 0.5 pence each, representing just under 10% of the total ordinary share capital of the Company in issue at the date of this letter.

There are outstanding options to subscribe for a total of 4,226,416 ordinary shares in the Company as at 2 March 2016. That number of shares represents under 1% of the Company's existing issued share capital. If the Company was to exercise in full the proposed authority to purchase its own shares, the shares for which there are outstanding options to subscribe would still represent under 1% of the Company's existing issued share capital as reduced by those purchases.

In seeking this authority the Board is not indicating any commitment to buy back ordinary shares. The Board will only exercise the authority if, in light of the market conditions prevailing at the time, it considers that the purchases of ordinary shares can be expected to result in an increase in earnings per share and be in the best interests of shareholders generally. The directors do, however, consider it desirable for this authorisation to be available to provide flexibility in the management of the Company's capital reserves. In the event of any purchase under this authority, the directors would either hold the purchased ordinary shares in treasury or cancel them. The authority will expire at the conclusion of the AGM to be held in 2017.

Under resolution 17, a further special resolution will be proposed which will provide a renewed authority to purchase preference shares. The authority will cover all of the preference shares remaining in issue and will set out the minimum and maximum prices which may be paid. The Company will continue to purchase this class of shares as they become available and then cancel them. The authority will expire at the conclusion of the AGM to be held in 2017.

Notice Periods for General Meetings

Changes made to the Companies Act 2006 by the Shareholders' Rights Regulations increase the notice period required for general meetings of the Company to 21 clear days unless shareholders approve a shorter notice period. Before the coming into force of the Shareholders' Rights Regulations in August 2009, the Company was able to call general meetings other than an AGM on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, resolution 18, which will be proposed as a special resolution, seeks such approval. AGMs will continue to be held on at least 21 clear days' notice. The approval will be effective until the Company's next AGM in 2017, when it is intended that a similar resolution will be proposed.

In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

The Board will only utilise the authority to hold meetings on less than 21 clear days' notice where it considers it to be in the best interests of shareholders.

Action to be Taken

Whether or not you intend to come to the meeting, please complete and return the accompanying prepaid Form of Proxy to the Company's registrars so as to be received no later than 12 noon on Wednesday, 27 April 2016. By doing so, you will not preclude yourself from attending and voting in person at the meeting.

Recommendation

Your Board considers each of the proposed resolutions to be in the best interests of the Company and its shareholders as a whole. Accordingly, your directors unanimously recommend that you vote in favour of the resolutions.

Following the close of formal AGM business, lunch will be available to shareholders, as usual, at our Bath premises.

Yours sincerely,

Martin Lamb
Chairman
29 March 2016

NOTICE OF MEETING

Notice is hereby given that the fifty ninth Annual General Meeting (“AGM”) of Rotork plc (the “Company”) will be held at Rotork House, Brassmill Lane, Bath, BA1 3JQ on Friday 29 April 2016 at 12 noon for the following purposes:

Ordinary business

To consider and, if thought fit, to pass the following ordinary resolutions:

1. That the Directors’ Report and Accounts and the Auditor’s Report thereon for the year ended 31 December 2015 be received and adopted.
2. That a final dividend at the rate of 3.1p per ordinary share of 0.5 pence each in the capital of the Company be declared for the year ended 31 December 2015 payable on 16 May 2016 to shareholders on the register at close of business on 8 April 2016.
3. That RH Arnold be re-elected a director of the Company.
4. That GB Bullard be re-elected a director of the Company.
5. That JM Davis be re-elected a director of the Company.
6. That PI France be re-elected a director of the Company.
7. That SA James be re-elected a director of the Company.
8. That JE Nicholas be re-elected a director of the Company.
9. That MJ Lamb be re-elected a director of the Company.
10. That LM Bell be re-elected a director of the Company.
11. That Deloitte LLP be re-appointed as the Company’s Auditor until the conclusion of the AGM of the Company to be held in 2017.
12. That the directors be authorised to fix the Auditor’s remuneration.
13. That the Directors’ Remuneration Report (other than the part containing the Directors’ Remuneration Policy) for the year ended 31 December 2015, as set out on pages 74 to 88 of the document also containing the Directors’ Report and Accounts for the financial year ended 31 December 2015, be approved.

Special business

To consider and, if thought fit, to pass the following resolutions of which resolution 14 is proposed as an ordinary resolution and resolutions 15 to 18 (inclusive) are proposed as special resolutions:

14. That, in substitution for any equivalent authorities and powers granted to the directors prior to the passing of this resolution, the directors be and they are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the “Act”) to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “relevant securities”) up to an aggregate nominal amount of £1,440,000, provided that, unless previously revoked, varied or extended, this authority shall expire on the conclusion of the AGM of the Company to be held in 2017, except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.
15. That the directors be and they are empowered to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority of the directors under section 551 of the Act conferred by resolution 14 above (pursuant to section 570(1) of the Act), and/or by way of a sale of treasury shares (pursuant to section 573 of the Act), in each case as if section 561(1) of the Act did not apply to such allotment, provided that:
 - a) the power conferred by this resolution shall be limited to:
 - i. the allotment of equity securities in connection with an offer of equity securities to the holders of ordinary shares in the capital of the Company in proportion as nearly as practicable to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws or requirements of any overseas territory or by virtue of shares being represented by depository receipts or the requirements of any regulatory body or stock exchange or any other matter whatsoever; and
 - ii. the allotment, otherwise than pursuant to sub-paragraph (i) above, of equity securities up to an aggregate nominal amount of £430,000; and
 - b) unless previously revoked, varied or extended, this power shall expire on the conclusion of the AGM of the Company to be held in 2017 except that the Company may, before the expiry of this power, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if this power had not expired.

16. That, subject to the consent of the holders of 9½% cumulative preference shares of £1 each not being withdrawn in accordance with the resolution passed by the holders thereof on 3 August 1995, the Company be and it is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 0.5 pence each in the capital of the Company provided that:
- a) the maximum number of ordinary shares of 0.5 pence each hereby authorised to be acquired is 86,000,000;
 - b) the minimum price which may be paid for any such ordinary share is the nominal value of such share (exclusive of expenses);
 - c) the maximum price (exclusive of expenses) which may be paid for any such shares is an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; and
 - d) the authority hereby conferred shall expire on the conclusion of the AGM of the Company to be held in 2017, save that the Company may, prior to the expiry of such authority, make an offer or agreement which would or might require ordinary shares to be purchased by the Company after such expiry and the Company may purchase ordinary shares notwithstanding such expiry.
17. That, subject to the consent of the holders of 9½% cumulative preference shares of £1 each ("Preference Shares") not being withdrawn in accordance with the resolution passed by the holders thereof on 22 May 1998, the Company be and it is generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Act) of Preference Shares of the Company provided that:
- a) the maximum number of Preference Shares hereby authorised to be acquired is 40,073 (being all the Preference Shares remaining in issue at the date of this notice);
 - b) the minimum price which may be paid for any such share is £1 (exclusive of expenses);
 - c) the maximum price (exclusive of expenses) which may be paid for any such share is an amount equal to whichever is the higher of (i) 105% of the average of the middle market quotations for a Preference Share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the Preference Share is contracted to be purchased and (ii) £1.60; and
 - d) the authority hereby conferred shall expire on the conclusion of the AGM of the Company to be held in 2017, save that the Company may, prior to the expiry of such authority, make an offer or agreement which would or might require Preference Shares to be purchased by the Company after such expiry and the Company may purchase Preference Shares pursuant to any such offer or agreement notwithstanding such expiry.
18. That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

Stephen Rhys Jones
Company Secretary
29 March 2016

Registered Office
Rotork House
Brassmill Lane
Bath, BA1 3JQ

NOTES

1. A member of the Company who wishes to attend the AGM in person should arrive at the offices of the Company at Rotork House, Brassmill Lane, Bath, BA1 3JQ, in good time before the meeting, which will commence at 12 noon. In order to gain admittance to the meeting, members may be required to produce their proxy card, or otherwise prove their identity.
2. A member who is entitled to attend, speak and vote may appoint a proxy to attend, speak and vote instead of him.
3. A proxy need not also be a member of the Company but must attend the AGM in order to represent his appointor.

A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A Form of Proxy is enclosed. The notes to the Form of Proxy include instructions on how to appoint the Chairman of the AGM or another person as proxy. To be effective the form must reach the Company's registrars, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA by 12 noon on Wednesday, 27 April 2016. The time limits for proxy appointments also apply to changes to proxy instructions. Any change to proxy instructions received after that time will be disregarded. If a member submits more than one valid proxy appointment, the appointment received last before the time limit will take precedence.

4. For those shareholders appointing a proxy and who prefer to register the appointment of their proxy electronically via the internet, they can do so through Equiniti's website at www.sharevote.co.uk where full instructions on the procedure are given. The Voting ID, Task ID and Shareholder Reference Number printed on the Form of Proxy will be required in order to use this electronic proxy appointment system. Alternatively, shareholders who have already registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk and clicking on the link to vote. The on-screen instructions give details on how to complete the appointment process. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 12 noon on Wednesday, 27 April 2016.
5. The Company, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company at 6.00pm on Wednesday 27 April 2016 (or if the AGM is adjourned, two working days before the time fixed for the adjourned AGM) shall be entitled to attend and vote at the AGM in respect of the number of shares registered in their name at that time. Any changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the AGM.
6. If you are a person who has been nominated by a member to enjoy information rights in accordance with section 146 of the Companies Act 2006, note 2 above does not apply to you but you may have a right under an agreement between you and the member by whom you were nominated to be appointed or to have someone else appointed, as a proxy for the meeting. If you have no such right or do not wish to exercise it, you may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
7. To appoint a proxy or to amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent (ID RA19) by 12 noon on Wednesday, 27 April 2016. 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 issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsor or voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings, please refer to the CREST Manual (available at www.euroclear.com). The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
8. Members attending the AGM have the right to ask and, subject to the provisions of the Companies Act 2006, the Company must cause to be answered, any questions relating to the business being dealt with at the AGM.
9. As at 2 March 2016 (being the latest practicable date prior to the publication of the Notice of Annual General Meeting), the Company's issued share capital consists of 869,758,050 ordinary shares carrying one vote each and 40,073 preference shares which do not currently carry the right to vote. No shares are held in treasury. Therefore the total voting rights in the Company as at 2 March 2016 are 869,758,050.
10. The following information is available at www.rotork.com: (i) the matters set out in the Notice of Annual General Meeting; (ii) the total number of shares in the Company in respect of which members are entitled to exercise voting rights at the AGM; (iii) the total voting rights that members are entitled to exercise at the meeting; and (iv) members' statements, members' resolutions and members' matters of business received by the Company after the date on which notice of the meeting was given.

11. Under section 527 of the Companies Act 2006 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 Companies Act 2006. 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 AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
12. You may not use any electronic address provided in either the Notice of Annual General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
13. Copies of:
- a) the executive directors' service contracts with the Company and any of its subsidiary undertakings and letters of appointment of the non-executive directors; and
 - b) the articles of association of the Company;

are available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday, Sunday and public holidays excluded) from the date of the Notice of Annual General Meeting until the conclusion of the AGM and will also be available for inspection at the place of the meeting from 11.45am on the day of the AGM until its conclusion.

