rotork®

Keeping the World Flowing
for Future Generations

Advancing Growth+

Annual Report 2025

Who we are

Rotork is a global leader in mission-critical intelligent flow control solutions, dedicated to improving efficiency, reducing emissions and assuring safety for customers

Purpose

Keeping the world flowing for future generations

Vision

To be the leader in intelligent flow control

Our cultural DNA

We value our customers

We deliver value through clarity and simplicity for our customers and colleagues.

We grow together

We continually strive to deliver our best, inspiring each other to learn and grow.

We win as a team

We achieve success together with integrity, ensuring the best for our people, our customers and Rotork.

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To find out more go to www.rotork.com

rotork®

Keeping the World Flowing for Future Generations

Highlights of 2025

Advancing Growth+

2025 marked another year of advancing the Growth+ strategy. Our purpose-led approach continued to generate strong financial outcomes, supported by the resilience of our business model and favourable structural tailwinds across our markets. We also accelerated capital deployment, further reinforcing the foundations for sustained long-term growth and value creation.

Orders
£783m
+5%

Adjusted operating profit
£191.5m
24.6% margin

Adjusted earnings per share
17.0p
+7%

Return on capital employed
38.4%
+110bps

Total recordable incident rate
0.24
vs 0.22 in 2024

Revenue
£777m
+3%

Statutory profit before tax
£157.9m
+12%

Dividend per share
8.3p
+7%

Cash conversion
101%
vs 119% in 2024

Scope 1 and 2 emissions
-43%
tCO_2e, % vs 2020 baseline

* Adjusted figures and organic constant currency (OCC) figures are alternative performance measures and are used consistently throughout the Annual Report. They are defined in full and reconciled to the statutory measures in note 2 to the financial statements.

What we do

Global presence, end market focus

Our divisions

Oil & Gas

The leading supplier of actuators and related products to the global oil and gas industry. Our solutions support upstream, midstream, and downstream operations. We help customers enhance operational efficiency, improve reliability, assure safety and reduce emissions.

Revenue
£351m -1% YoY

Adjusted operating margin
27.8%

Chemical, Process & Industrial (CPI)

A specialist supplier of actuators and instrumentation for niche applications across chemical, process and industrial markets. The division addresses critical reliability, efficiency, and safety challenges for customers in sectors including chemicals, metals, mining, heating, ventilation and air conditioning (HVAC), marine and other industrial end markets.

Revenue
£223m +9% YoY

Adjusted operating margin
26.1%

Water & Power

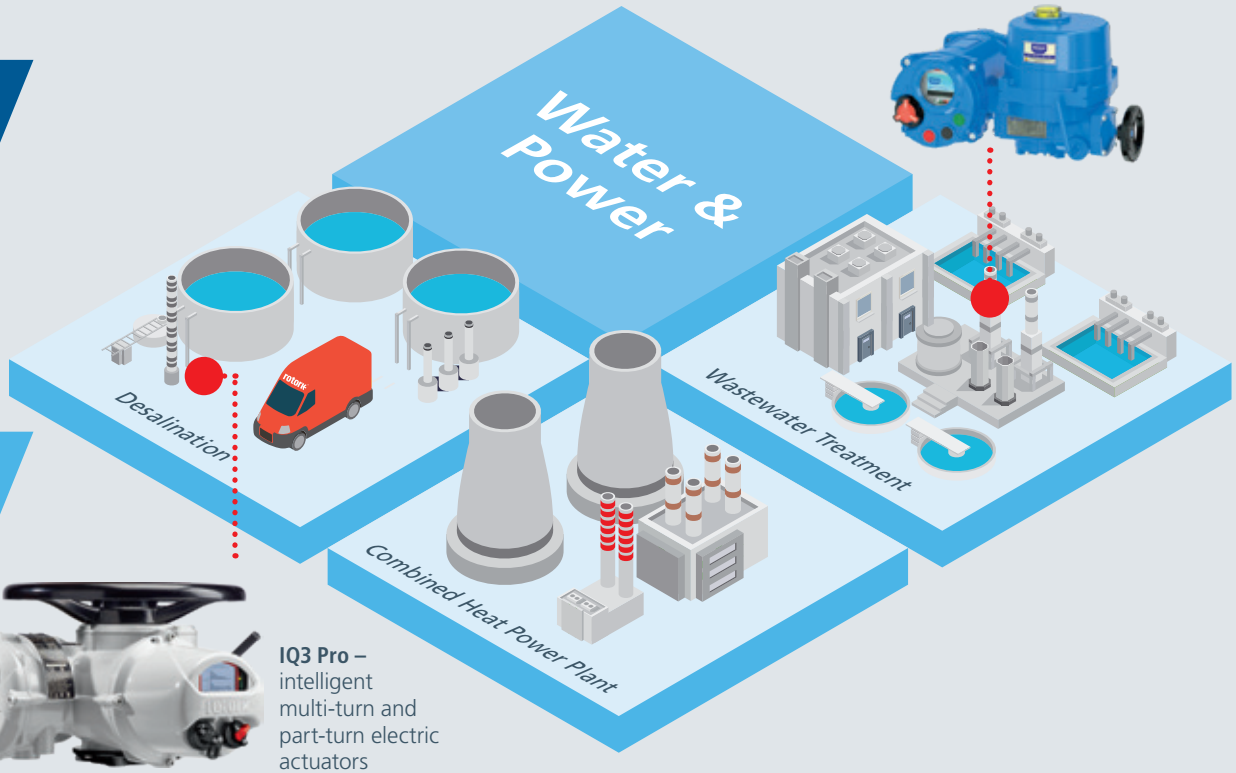
A leading supplier of actuators and related products to the water and power generation industries. In the water sector, the division helps address water management, quality and scarcity challenges in infrastructure, treatment, and desalination markets. In power, we provide solutions for both traditional and alternative energy applications.

Revenue
£203m +5% YoY

Adjusted operating margin
28.6%

Rotork is the market-leading global provider of mission-critical intelligent flow control solutions. Operating through three end market-focused divisions, our products support customers across a broad range of applications, from transportation and processing, to recycling and recovery.

NOAH NA – reliable, compact, modular electric actuator



IQ3 Pro – intelligent multi-turn and part-turn electric actuators

What we do continued

Americas

Employees **555**

Assembly facilities **3**

Sales offices **7**

Revenue **£210m**

EMEA

Employees **1,851**

Assembly facilities **10**

Sales offices **14**

Revenue **£301m**

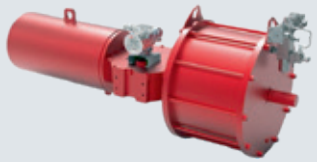
Asia Pacific

Employees **1,179**

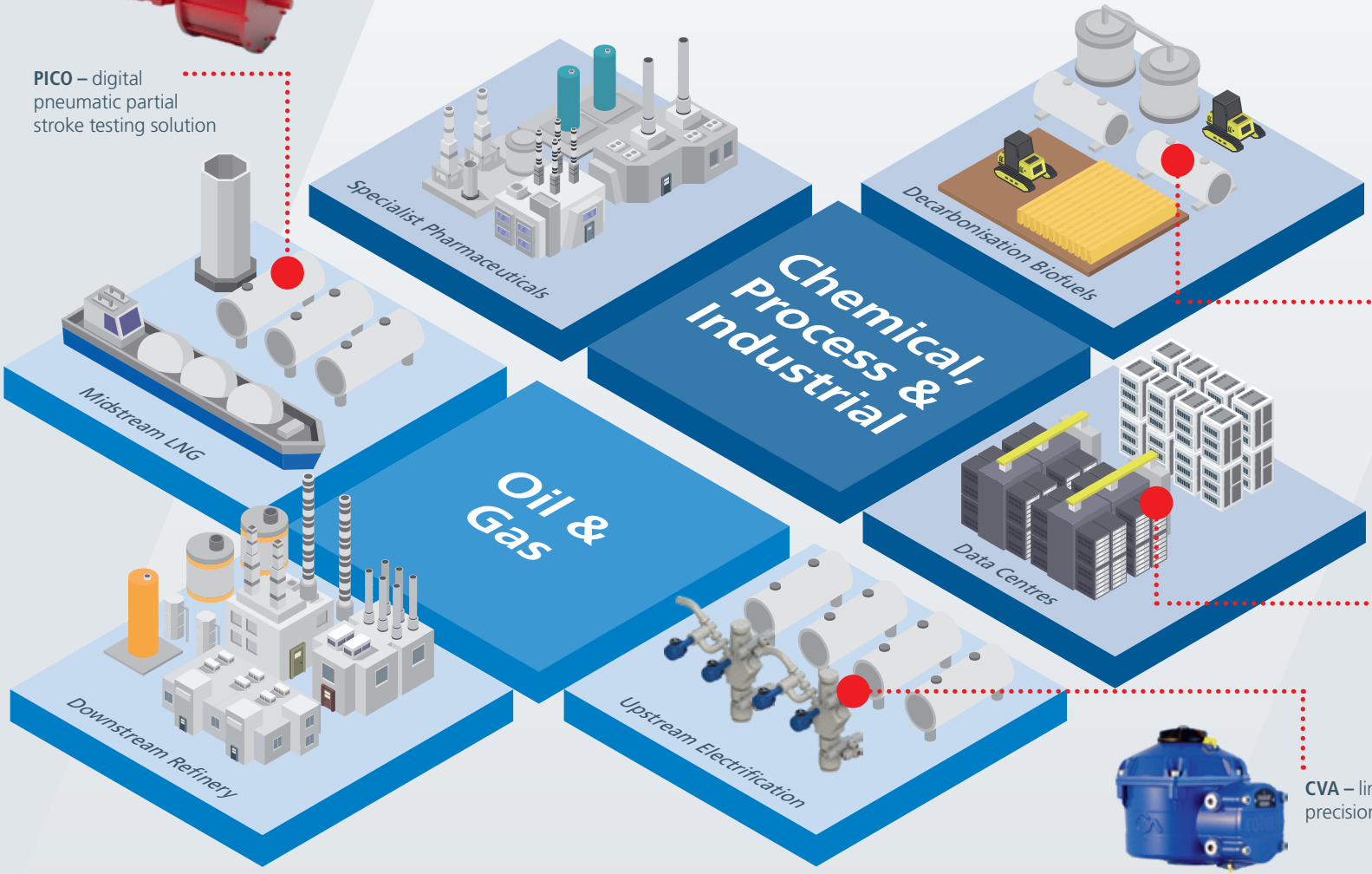
Assembly facilities **5**

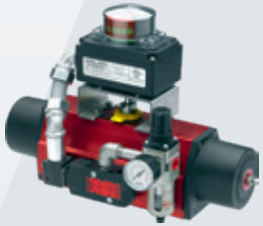
Sales offices **31**

Revenue **£266m**



PICO – digital pneumatic partial stroke testing solution





RC200 – compact pneumatic scotch yoke actuator with instrumentation

Hanbay – high-precision and high-speed, compact electric actuator

CVA – linear and part-turn precision modulating actuators

Our market dynamics

Global megatrends driving our growth

Our long-term growth is underpinned by powerful tailwinds in addition to our own strategic initiatives.

Automation

Automation is the use of technology to automatically manage and optimise processes. It is a significant growth driver for our business, as customers increasingly look to upgrade existing systems and automate new projects to enhance reliability, safety, efficiency and consistency.

Electrification

Electrification is the shift from mechanical to electrically-powered control equipment and is another major growth driver for Rotork. In many applications, electric actuators typically consume less energy, provide more precise control and deliver lower lifetime operating costs.

Digitalisation

Digitalisation enables industrial systems to operate more efficiently, reliably, safely and sustainably. Our actuator and software solutions give customers real-time insight into performance, helping them detect issues early and optimise processes to improve operational performance and reliability.

Positioning

>90%

Over 90% of Rotork's sales are into industrial automation and control system markets

>50%

Over 50% of our sales are electric-powered actuators

40 years

We have 40 years of expertise in connected solutions

Example

CPI, data centre HVAC

Although cooling performance is critical in data centres, we estimate that only 10 –15% of valves in the primary building cooling circuit are currently automated. This presents a significant opportunity as operators seek to optimise systems to enhance their energy efficiency, reliability and uptime. In 2025, we partnered with a data centre in Scandinavia, supplying a range of electric actuators and gears to optimise power efficiency.

Oil & Gas, upstream electrification

Electrification is a major trend in upstream and midstream energy markets as operators aim to reduce emissions, enhance process control and reduce operating costs. In 2025, we secured a significant order from an Asian customer to modernise its brownfield operations, by replacing gas-powered actuator units with our CVA electric actuator. We ensured seamless integration with existing systems and maintained uninterrupted output during the upgrade, supporting the customer's journey towards achieving net-zero emissions by 2030.

Read more on page 13

Water & Power, Rotork Service

Digitalisation is a key theme across our markets as customers seek to improve operating efficiency, safety and reliability. This creates significant opportunities for our connected products, software and service offerings. In 2025, we collaborated with a cogeneration power station in South Korea to enhance actuator maintenance and diagnostics. Using our iAM software and targeted analysis, we helped the customer optimise maintenance planning, balancing cost and efficiency requirements.

Investment case

Rotork – positioned for long-term success

Our financial ambition is to achieve mid to high single-digit revenue growth and mid-20s adjusted operating profit margins over time.

Growth+ drives revenue growth above our end markets	We benefit from the structural tailwinds of automation, electrification and digitalisation across our sectors, supported by our Growth+ strategy, which focuses on: 1) high-growth Target Segments; 2) improving our Customer Value proposition; and 3) offering Innovative Products and Services.	**3.7%** OCC revenue growth in 2025
High margins, strong productivity focus	Our business has high adjusted operating profit margins, supported by: 1) leading technology in niche markets; 2) the critical nature of our products; and 3) a differentiated route to market focused on end-user needs and specifications, where certification and a deep understanding of our customers' processes are essential.	**24.6%** adjusted operating margins in 2025
Asset-light manufacturing model	We operate a lean assembly and test manufacturing model supported by agile, in-region supply chains. Our asset-light and disciplined approach to capital allocation delivers strong underlying cash conversion through the economic cycle.	**101%** cash conversion in 2025
Disciplined approach to capital allocation	Capital allocation is governed by a clear and structured policy, with priorities focused on: 1) organic investment – encompassing new products, expansion into new end markets and regions, and internal systems; 2) maintaining a progressive dividend policy; 3) pursuing strategic M&A; and 4) returning excess cash to shareholders.	**£167m** invested in M&A, dividends and buybacks in 2025
Leading return on capital	The combination of high adjusted profit margins, an asset-light manufacturing model and a disciplined approach to capital allocation enables the Group to generate market-leading returns. Together, these strengths provide a resilient platform for reinvestment and underpin long-term value creation for shareholders.	**38.4%** ROCE in 2025
Strategic commitment to sustainability	Sustainability is central to Rotork's purpose and is embedded in the Growth+ strategy via our 'Enabling a Sustainable Future' initiative. We continue to support customers to improve their environmental performance, while advancing our own sustainability commitments.	**-43%** reduction in CO_2e vs 2020

Dorothy Thompson, CBE
Chair

Stewardship for sustainable value creation

2025 was another year of progress under the Growth+ strategy, which has driven sustained growth, improved margins and enhanced returns since its launch in 2022.

Performance in our Target Segments was particularly encouraging, with further improvements in profitability and ROCE, reflecting the success of internal initiatives focused on long-term value creation for all stakeholders.

Our purpose, 'keeping the world flowing for future generations', remains clear and is the foundation for our decision making and long-term strategy.

"Our purpose remains clear: keeping the world flowing for future generations, guiding every decision we make."

Dorothy Thompson, CBE
Chair

Embedding our cultural DNA

Building on the work completed in 2024, the Board was pleased to see the successful launch of our cultural DNA initiative in 2025. We recognise the importance of a strong and cohesive culture, and our cultural DNA captures what makes Rotork unique while guiding how we work and succeed together. Strong participation and positive results from our second externally-managed employee engagement survey illustrate the positive impact this work is already having throughout the Group.

Chair's statement continued

Capital allocation and dividend

Capital allocation remains a central focus for the Board, and our priorities are unchanged, as outlined later in this report. During the year, we completed the acquisition of NOAH Actuation Co., Ltd. ('Noah') and returned excess capital to shareholders through our share buyback programmes. We continue to assess and pursue strategic acquisitions that support our Growth+ strategy, while maintaining our disciplined approach to capital allocation.

2025 marks another year of an increased dividend, underlining the strength and resilience of the business. The Board is recommending a final dividend of 5.35p per ordinary share, which, together with the interim dividend of 2.95p, results in a total ordinary dividend of 8.30p per share for the year. This is a 7.1% increase on 2024. Subject to shareholder approval, the 2025 final dividend will be paid on 2 June 2026 to ordinary shareholders on the register at the close of business on 24 April 2026.

"The launch of the cultural DNA initiative is already guiding how we work and succeed together, while delivering a positive impact across the Group."

Dorothy Thompson, CBE
Chair

Board update

Karin Meurk-Harvey will step down as a Non-executive Director following the conclusion of the Company's next AGM on 1 May 2026. Karin has been a valuable member of the Board since September 2021 and departs with our sincere appreciation. The Board remains focused on maintaining the highest standards of governance and the Nomination Committee has commenced a formal process to identify and appoint a suitable new Board member who will bring complementary expertise to support the Group's long-term success.

People

On behalf of the Board, I would like to thank all our employees for their dedication and contribution. Delivering our purpose and strategy would not be possible without their talent and commitment. Together, we remain focused on building a stronger, more efficient and resilient organisation for the future, and I look forward to what we will achieve together in the year ahead.

Dorothy Thompson, CBE
Chair
9 March 2026

Section 172 (1) Statement

In accordance with Section 172 (1) of the Companies Act 2006, we as a Board have a duty to promote the success of Rotork for the benefit of Rotork's members. In doing so, the Board has regard for the interests of our people, the success of our relationships with suppliers and customers, the impact of our operations on the community and the environment, the desirability of maintaining a reputation for high standards of business conduct and the consequences of decisions in the long-term. Stakeholder considerations are woven throughout all Board discussions and decisions.

Further information on our stakeholder engagement can be found on pages 98 to 105 of the Corporate Governance Report. Details on how we have engaged with our stakeholders on our sustainability strategy can be found on page 28.

Chief Executive Officer's statement

Kiet Huynh
Chief Executive Officer

Advancing our Growth+ strategy

The Group delivered another year of progress, despite mixed market conditions. Our purpose-driven Growth+ strategy continued to deliver tangible financial benefits, and we accelerated capital deployment to support long-term growth and value creation. We also made meaningful improvements to internal processes and further strengthened our culture.

I am especially grateful to our over 3,500 people for their hard work, dedication and commitment in driving improvements across the Group. As we focus on further Growth+ initiatives, I remain confident in our long-term potential and ability to continue creating sustainable value for all stakeholders.

Another year of growth

2025 was another year of order and revenue growth. Group orders rose 5.2% year-on-year to £782.6m, driven by 6.0% organic constant currency (OCC) growth and the acquisition of Noah in March. Group sales increased by 3.7% OCC to £777.3m (3.0% reported). The business performed well despite tariff-related uncertainty in the first half, and customer-driven project delays in Oil & Gas at the end of the year.

Oil & Gas revenues were stable, delivering 0.6% OCC growth (reported decline of 1.2%). Upstream grew, supported by progress in our electrification Target Segment initiative, despite challenging underlying market conditions. Downstream performance was stable, with support from service and brownfield-related activity. Order intake remained good; however, midstream experienced a weaker second half due to customer-driven project delays at the end of the year.

"Thanks to the dedication of our more than 3,500 people, we delivered further progress in 2025 and continued to build long-term value for all our stakeholders."

Kiet Huynh
Chief Executive Officer

Chief Executive Officer's statement continued

Another year of growth continued

CPI performed strongly, achieving 7.0% OCC growth. Reported revenue growth was higher at 9.0%, including the acquisition of Noah in March. Underlying core markets were relatively subdued in the period. However, CPI's strategy to pivot towards growth opportunities and its strategic focus on speciality chemicals, mining, critical HVAC and marine markets enabled the division to deliver good growth, particularly in the second half of the year.

Water & Power delivered good growth in 2025, increasing 6.1% OCC (reported growth of 4.5%). In water, investment in modernisation, resilience and technology supported broad-based growth, with strong activity in infrastructure upgrades and advanced treatment projects. Power markets continued to recover, with good growth in refurbishment work in the traditional power segment.

EMEA and the Americas delivered solid growth in 2025, with performance in each region underpinned by particularly strong results in the Middle East and the USA respectively. APAC remained stable over the period.

Rotork Service reported another good performance, growing faster than the broader Group. It reached 24% of Group sales in 2025 (23% in 2024). Rotork Service is a key differentiator versus our peers and is managed as a separate unit by each of our divisions.

High profitability and returns

Adjusted operating profit was strong in 2025 at £191.5m, resulting in 100bps of margin expansion to 24.6% (2024: 23.6%). This reflected good operating leverage, favourable mix and ongoing productivity initiatives, together driving 10.0% OCC adjusted operating profit growth. Reported operating profit was £157.1m, up 15.6% year-on-year, with the principal adjustment relating to costs associated with our Business Transformation programme.

ROCE improved again to 38.4% (2024: 37.3%) demonstrating the attractiveness of the Group's competitive positioning and asset-light manufacturing model. Our performance was helped by the increase in margins and disciplined control of capital employed.

Active and disciplined capital allocation

We retained a strong balance sheet and ended the year with net cash of £65.3m (31 December 2024: £125.3m), with the reduction mainly reflecting M&A activity and additional share buybacks.

Rotork continues to take a clear and disciplined approach to capital allocation, focused on delivering both growth and returns. Our priorities, in order, remain organic investment in the business, a progressive dividend, strategic acquisitions and additional shareholder returns.

We are pleased with the progress made in 2025. The successful acquisition of Noah in March broadened our electric actuator offering, and the business has performed well since joining the Group. We completed the £50m buyback announced in March 2025 and confirmed a follow-on £50m programme in November. We also returned £66.6m (2024: £63.3m) through our ordinary share dividend.

Growth+ strategic progress

Our Growth+ strategy is rooted in our core purpose, 'keeping the world flowing for future generations', and in our vision to lead in intelligent flow control. The strategy reflects our commitment to sustainability and our contribution to a low-carbon future, while delivering advanced, intelligent solutions that enhance safety, efficiency, and uptime for our customers. Electrification, automation and digitisation are key tailwinds for the Group, and our strategy is focused on maximising these long-term structural trends.

At the core of the Growth+ strategy are three pillars: Target Segments, Customer Value and Innovative Products and Services. In 2025, we made good progress on each of these pillars.

Capital allocation

We continue to invest in strengthening our leadership in intelligent flow control, while maintaining a progressive dividend and returning excess capital to shareholders.

1. Organic investment – focused on capex and the Business Transformation programme

1.6% Capex to sales in 2025

£26m Invested in Business Transformation in 2025

2. Ordinary dividend – progressive policy

8.3p Full year dividend per share in 2025

7.1% Full year dividend per share growth in 2025

Capital allocation policy

3. Value-creating M&A – bolt-on focus, in line with Growth+ strategy

£42m Noah acquisition cost

£11m Sales contribution from Noah in 2025

4. Excess capital – returned to shareholders

£60m Returned via buybacks in 2025

£40m Buyback remaining at 2025 year-end

Chief Executive Officer's statement continued

Growth+ strategic progress continued

Target Segments focus on growth opportunities that enable Rotork to grow ahead of its underlying markets, with specific opportunities identified in each division. We performed strongly in 2025, with Target Segment OCC revenue growth of 8% for the year (2024: 9%).

In Oil & Gas, successes included a significant order from a customer in APAC to modernise its upstream operations. This involved replacing gas-powered actuators with our electric CVA product, supporting its climate-related goals.

In CPI, critical HVAC is a key Target Segment and in 2025 we partnered with a data centre customer in Scandinavia, supplying electric actuators into an artificial intelligence and high-performance computing expansion project.

Water & Power continued to make good progress in several of its Target Segments, including supporting a North American customer with its PFAS water treatment project.

The Customer Value pillar focuses on strengthening our offering and enhancing internal processes to provide industry-leading customer experience. In the year, we made good progress on our Business Transformation programme, updating our systems and aligning processes, including the continued rollout our new enterprise resource planning (ERP) system to several additional sites. We also advanced several go-to-market initiatives, including the expansion of our facility in Saudi Arabia, alongside broader commercial excellence initiatives.

The Innovative Products and Services pillar is centred on extending our competitive advantage, adapting to changing market conditions and capturing new opportunities. We continued to streamline how we deliver innovation, with an increasing focus on insights from our voice of the customer programme to shape our product roadmap. In 2025, we launched the IQ3 Perform electric actuator to further strengthen our flagship range. We also introduced the new RTP positioner range, offering improved long-term reliability, and progressed several new connectivity solutions.

In addition, we introduced our AI hub, a collaborative initiative designed to explore how artificial intelligence can support innovation, efficiency and growth across the Group. The initiative establishes clear governance and integration principles, encourages the responsible use of AI within our business and identifies both process-related and product-related opportunities.

Growth+ priorities

Our robust business model and Growth+ strategy provides a strong foundation for sustainable growth and long-term value creation for all our stakeholders. We remain ambitious, and beyond 2025 see significant opportunities to unlock further potential across the Group.

We continue to see good momentum in our Target Segments initiatives and are particularly excited about the prospects for our recent acquisitions, Hanbay and Noah, within data centres. We have been investing to re-enter the nuclear market as the long-term outlook for this part of the power sector is very attractive and we are well positioned. Rotork Service also provides a good runway for growth, given our significant installed base, the criticality of our products and our well-embedded customer relationships.

Looking further ahead, we also see meaningful opportunities to reinforce the strength of the Group through disciplined capital allocation aligned with the Growth+ strategy. Alongside investing in organic growth, we will continue to pursue targeted M&A to enhance our capabilities and market positions.

"In 2025 we strengthened our culture through our new DNA initiative and reinforced the foundations that will support our long-term growth."

Kiet Huynh
Chief Executive Officer

Chief Executive Officer's statement continued

Safety continues to be a key priority

Safety remains the foundation of our operations and culture. We are committed to ensuring the wellbeing and safety of our people and partners by maintaining the highest standards. Our performance in 2025 was broadly in line with 2024, with a lost time injury rate (LTIR) of 0.08 (2024: 0.08) and a total recordable incident rate (TRIR) of 0.24 (2024: 0.22). We will continue to invest in robust systems, continuous training and proactive risk management to work towards our zero-harm objective.

DNA and behaviours driving engagement

In 2025, we introduced our cultural DNA initiative to support growth, scalability and our long-term success. It builds on our strong heritage and the qualities that make Rotork unique. Our DNA was defined as We value our customers, We grow together and We win as a team, after an extensive internal programme in 2024 to understand our culture, identify our strengths and uncover opportunities. The DNA initiative and associated behaviours were launched at the start of the year, supported by Group-wide training in the following months. During site visits, we have witnessed the programme in action and taken the opportunity to listen to the perspectives of employees across our locations.

> **"Our Growth+ strategy provides a strong platform, and beyond 2025 we see clear opportunities to unlock further potential across the Group."**
>
> **Kiet Huynh**
> Chief Executive Officer

2025 was the second year of our externally managed engagement survey. It was particularly pleasing to see 86% of our employees participate and a significant increase in our overall engagement scores. Feedback from the survey provided valuable insights to help launch our cultural DNA initiative and will continue to be one of the ways we develop Rotork's culture, enabling us to measure and enhance our initiatives in future.

Continued good progress on sustainability

We made good progress on our sustainability initiatives during the year, maintaining our AAA MSCI ESG rating, and advancing towards our ultimate net-zero aim. We achieved our 2030 Scope 1 and 2 (market-based) emissions reduction target ahead of schedule. This reflects the delivery of energy-efficiency projects, investments we made in on-site renewable generation and increased use of renewable power certificates. Emissions reductions in 2025 were supported in part by the 444 kWp of solar generation we installed at our Lucca facility in Italy.

Sustainability remains a key focus and we have stretched our 2030 target to a 60% reduction from the 2020 baseline.

Elsewhere, our customer-focused innovation continues to enhance product efficiency and sustainability performance. A highlight in 2025 was the enhancement of the YT-1000 flagship positioner, which supports our customers' decarbonisation plans and our own ambitious Scope 3 emissions reduction target. The upgraded version delivers an estimated 30% reduction in annual air consumption.

Outlook

Given the foundations of the Growth+ strategy and the progress made since 2022, we remain confident in our ability to deliver our financial ambition of mid to high single-digit sales growth and mid-twenties adjusted operating margins over time.

For 2026, we expect continued good momentum in CPI and Water & Power, with our Target Segments and Rotork Service supporting performance across the divisions. In Oil & Gas, we expect a stable performance, with a higher second half weighting. Our Target Segment and Rotork Service initiatives continue to ensure we outperform wider end markets, where downstream markets are expected to remain stable, and upstream and midstream are anticipated to remain subdued. While we are mindful of the recent geopolitical uncertainty, we expect further progress on an OCC basis for the Group in 2026.

Kiet Huynh
Chief Executive Officer
9 March 2026

Our strategy

Growth+ overview

Our Growth+ strategic pillars, cultural DNA initiative, value-creation model and the seven KPIs that measure our progress.

Purpose and vision
Read more on page 12

Growth+ strategic pillars
Read more on page 13

Our DNA
Read more on page 16

Business model
Read more on page 18

KPIs
Read more on page 19

Purpose
Keeping the world flowing for future generations

Vision
To be the leader in intelligent flow control

Target Segments

Customer Value

Innovative Products and Services

Enabling a Sustainable Future
Supporting our customers to improve their environmental performance, while continually advancing our own

Supported by our DNA

We value our customers
We deliver value through clarity and simplicity for our customers and colleagues.

We grow together
We continually strive to deliver our best, inspiring each other to learn and grow.

We win as a team
We achieve success together with integrity, ensuring the best for our people, our customers and Rotork.

Learn how the Board monitors our cultural DNA on page 92 and 93

Target Segments

Investing in areas of significant profitable growth potential.

Strategy

The Target Segment pillar focuses on finding attractive growth areas in our current markets, expanding into new ones, and pursuing market share opportunities. We concentrate on areas where our product offering and customer needs give us a clear right to play. This focus does not mean we will stop competing in our core segments, where we expect to grow more in line with the underlying market.

Progress during 2025

Target Segments grew at 8% in 2025.

- Oil & Gas delivered strong progress in Target Segments with several notable wins, including modernising gas-powered actuators in Asia, providing a tailored electro-hydraulic solution in North America that improved control and reduced emissions, and securing multiple new LNG project awards.
- CPI recorded good success across its Target Segments supplying electric actuators to a European data centre, supporting an Asian biopharma customer's intelligent manufacturing transformation with smart positioning products, and securing decarbonisation-linked orders for a new European biofuel producer of sustainable aviation fuel and renewable diesel.
- Water & Power continued to gain traction in its Target Segments. Highlights included supporting a North American customer on a PFAS water-treatment project, and winning several desalination orders, including a major copper mining project in South America.

Target Segments by division

Oil & Gas

- Upstream electrification
- Midstream electrification
- LNG
- Brownfield opportunities

Water & Power

- Water infrastructure
- Water, wastewater and treatment
- Desalination
- Alternative energy (incl. nuclear)

Chemical, Process & Industrial

- Speciality chemical
- Critical HVAC
- Mining
- Marine

Decarbonisation is a Target Segment for all Rotork divisions.

"Target Segments continue to drive growth above our underlying end markets, and we are particularly pleased with the 8% growth delivered in 2025."

Kiet Huynh
Chief Executive Officer

Division: Water & Power
Segment: Nuclear

Nuclear is increasingly viewed as a reliable, low-carbon baseload option in markets where broader electrification trends and AI are causing rising power demand. In its high-case scenario, the International Atomic Energy Agency is forecasting 950GW of global nuclear generating capacity in 2050. We expect good growth in refurbishment-related demand in the medium term, and significant potential in new-build small modular reactors (SMR) in the 2030s given their flexibility, lower upfront costs and suitability for more distributed power.

Rotork's positioning

Rotork has supported the nuclear industry since the 1960s, with a significant installed base of safety-related containment actuators in service worldwide. In 2025, we set out a clear strategy and committed targeted investment in the nuclear market, leaving us well placed to capitalise on the significant opportunities ahead.

Customer Value

Continually enhancing the customer experience.

Strategy

The Customer Value pillar strengthens our offering and streamlines internal processes to deliver an industry-leading customer experience. It includes three key initiatives: 1) go-to-market enhancements to refine how we organise and support customer facing roles; 2) our global supply chain programme, to reduce lead times and improve flexibility; and 3) improvements to the customer experience through enhanced internal processes that drive accountability, transparency and speed. Our internal process improvements are underpinned by the introduction of a single ERP platform.

Progress during 2025

- We introduced several commercial excellence initiatives, linked to the rollout of our DNA and behaviours, strengthening the sales organisation. These included online tools to assess key competencies and to deliver targeted training in customer service.
- Rotork joined the Rockwell Technology Partner programme, with the IQ3 Pro actuator with Ethernet connectivity now included in its product catalogue and design tools.
- We formally opened our expanded facility in Saudi Arabia, demonstrating our commitment to localising operations in an important region.
- We launched our internal AI initiative to establish how it can support innovation, efficiency and growth across our business.
- We continued to progress the rollout of our new ERP system across the Group, including steps to improve quote responsiveness.

Customer Value initiatives

Go-to-market enhancement

- Global key account management
- Project pursuit programme
- Sales force academy
- Rotork Service network expansion

Global supply chain programme

- Lead time reduction initiative
- Global supply chain programme

Improved customer experience

- Business process re-engineering
- Faster quotation and on time delivery

"We made strong progress in 2025 to deliver a faster, more responsive customer experience."

Kiet Huynh
Chief Executive Officer

Initiative: Go-to-market enhancement – Rotork Service

Rotork Service launched the next evolution of reliability services in 2025, integrating predictive technologies, expanding product coverage, and streamlining processes for faster, easier and more tailored maintenance. Backed by highly trained engineers, intelligent asset data, and a global support network, the enhanced offering delivers deeper insights and more consistent, factory-certified service throughout the entire asset lifecycle.

Innovative Products and Services

Accelerating innovation.

Strategy

The Innovative Products and Services pillar focuses on extending our competitive advantage, adapting to changing market conditions, addressing new opportunities and improving our customers', and our own, sustainability. Since the launch of Growth+, we have streamlined how we deliver innovation and how we develop new products, with increasing emphasis on voice of the customer initiatives to drive our product road map. We remain aligned to our Target Segment strategy, focusing on connected electric solutions with advanced diagnostics and high levels of efficiency. Our long-term plans include evaluating make-versus-buy options, demonstrated by the acquisition of Noah in the year.

Progress in 2025

- We launched our IQ3 Perform actuator, extending the reach of our flagship range. This helps increase market penetration in Target Segments like desalination.
- We introduced the RTP 4000 range in the second half of the year. This next-generation intelligent valve positioner is designed to offer seamless installation and diagnostics, and ensure long-term reliability.
- We introduced software for integration with Rockwell products, and continued the development of our non-intrusive Ethernet solutions.
- We launched a new configuration of the YT-1000 value positioner, significantly reducing energy usage (read more on page 32).
- We conducted our largest voice of the customer programme to further inform our product road map, and strengthened our advanced applications engineering capability.

Innovative Products and Services initiatives

- Target Segment aligned investment
- Electrification
- Connected and digital products
- Make vs buy M&A
- Leverage Rotork Service

"This year we accelerated our innovation cadence, pioneering advancements in connectivity, control and design."

Ross Pascoe
Chief Technology Officer

Initiative: Target Segment aligned product – IQ3 Perform

To broaden market reach, we launched IQ3 Perform in 2025. This new tier of the IQ3 platform is designed to target underrepresented Target Segments (such as desalination) by providing a more flexible and accessible option within our flagship range. IQ3 Perform expands the choice available to customers, while maintaining the core reliability, diagnostics and performance that define the IQ3 family.

Our DNA

Evolving our culture

In 2024, we embarked on a culture journey with our employees with the aim of acknowledging our strengths as an organisation, to reflect on what makes our culture unique and identify long-term opportunities to accelerate growth and scalability. While our existing values have served us well over the past six years, this initiative provided us with an opportunity to evolve, to continue to support our Growth+ strategy and shape Rotork's sustainable future, together.

2024 – understanding our culture

- In 2024, we undertook extensive discussions across Rotork, including leadership interviews, global crowdsourcing events and employee focus groups, to better understand our strengths and areas for growth. These insights helped us identify opportunities to evolve and build on our strong cultural foundations.
- Following the initial insight phase, we hosted a series of global employee workshops to share findings and gather further feedback to evolve our previous values into our cultural DNA. We engaged over 800 employees across 27 countries during the insight and design phases.
- As a result of this inclusive approach, our DNA has genuinely been shaped by our people and therefore resonated clearly across Rotork in 2025.

2025 – launching our evolved DNA

Q1

- In March 2025, we introduced our evolved culture and DNA to our senior leaders at our Leadership Conference.
- At the Leadership Conference, we equipped them with the skills to role model our DNA and to champion embedding it into the fabric of everything they do with their teams locally.

Q2

- From April we cascaded our new cultural DNA and associated behaviours to all employees through a series of events, including town halls hosted by our leaders.
- We relaunched our recognition scheme aligned to our evolved DNA, which resulted in a strong uptake in the way our colleagues recognised each other.
- In May, we launched our new Culture Champion Network, which has played an important role in embedding our cultural DNA across all locations. The global network was heavily oversubscribed, demonstrating the strong level of engagement with our evolved culture.

Our DNA continued

Q3

- During Q3, we focused on embedding our cultural DNA into the way we lead, grow and engage our people, recognising this as essential to unlocking our full potential. We introduced our new behavioural framework, which clearly defines the behaviours expected at Rotork and provides a consistent foundation for development, performance and leadership.
- We also launched our brand-new flagship global People Manager Programme. This critical enabler is taking over 500 people managers through a comprehensive journey to cement our cultural DNA and the behaviours into day-to-day leadership practices.
- We fully integrated the DNA and behavioural framework into our performance management approach, resulting in a strong focus on both the 'what' and 'how' of performance. This integration enabled us to reinforce clear behavioural expectations and support more meaningful conversations around the behaviours and growth of our people.
- Measuring the engagement of our people in this transformation was key to gauging our success. Our annual employee engagement survey in September showed a significant increase in the global engagement score, outperforming similar organisations participating in their second year using the external engagement partner. One of the questions we measured was related to the extent to which our managers consistently role model our DNA and behaviours. This question achieved a strong 4.08 out of 5. This demonstrates that our managers are leading by example and supporting our evolution by role modelling our culture and behaviours.

In 2026 and beyond

Looking ahead, we continue on our multi-year journey to ensure that our culture remains a driver of long-term success. By embracing our evolved DNA as Rotork scales, we are building a business that is customer focused and connected, while also emphasising human performance.

We value our customers

We deliver value through clarity and simplicity for our customers and colleagues.

We grow together

We continually strive to deliver our best, inspiring each other to learn and grow.

We win as a team

We achieve success together with integrity, ensuring the best for our people, our customers and Rotork.

Our DNA shapes how we lead, grow, and engage our people and customers. It fosters behaviours and experiences that drive success, reflecting what makes Rotork unique while building on strong foundations for collaboration, innovation, and shared success.

Learn how the Board monitors our cultural DNA on page 92 and 93

Business model

How we create value

Our proprietary intellectual property, highly skilled people, global manufacturing footprint and strong financial position are the foundation of our differentiated business model.

Our inputs

Our Growth+ strategy

Read more on page 12

How we create value

1 Understanding customer needs

We focus on deep engagement with our customers through our route to market and sales teams to understand their automation challenges and operational goals. This application engineering insight enables us to provide tailored solutions and strengthens long-term partnerships.

2 Driving innovation in critical applications

Innovation is a key pillar of our Growth+ strategy. We invest in technologies and R&D to develop solutions that address the mission-critical operations of our customers, to ensure we meet superior performance, reliability and sustainability requirements. Our leading service offering provides further customer insights that also drive innovation.

3 Asset-light, world-class manufacturing

We are a global manufacturing business, with sites operating around the world. Our asset-light design, assembly and test model ensures operational flexibility and low financial capital employed.

4 Comprehensive lifecycle support

We provide end-to-end lifecycle services, including installation, parts, maintenance, upgrades and digital monitoring and preventative maintenance. These offerings help customers maximise operational efficiency, reduce downtime and improve safety.

5 Self-reinforcing capital allocation

We continue to invest to strengthen our leadership in intelligent flow control. Our disciplined approach prioritises organic growth initiatives, while targeted external investments expand our product capabilities in existing and adjacent markets.

The value we created in 2025

Customers
£783m
orders in the year
Read more on page 24

Employees
£216m
wages, salaries and benefits paid
Read more on page 50

Supply chain
£390m
spent with external suppliers
Read more on page 41

Society
-9%
CO_2 emissions, YoY
Read more on page 35

Governments and regulators
£39m
corporate cash tax paid
Read more on page 54

Shareholders
£67m
cash dividends to ordinary shareholders
Read more on page 24

Financial KPIs

Growth, earnings quality and capital efficiency.

Revenue growth %

3.0%

Linked to remuneration

R

Why we measure it

Clear, measurable indicator of business performance reflecting underlying market demand, strategic progress and M&A.

How we calculate

Increase in revenue year-on-year divided by prior year revenue.

Comments on results

Group revenue increased 3.0% year-on-year. OCC growth reached 3.7%. The contribution from Noah, acquired in March, was more than offset by adverse foreign exchange movements. Our ambition is to achieve mid to high single-digit revenue growth year-on-year over time.

Adjusted operating margin %

24.6%

Linked to remuneration

R

Why we measure it

Provides an underlying view of profitability, excluding non-recurring items, enabling a better assessment of the quality of revenue growth, operational efficiency and performance against strategic goals.

How we calculate

Adjusted operating profit is shown as a % of revenues and excludes amortisation and non-recurring items.

Comments on results

The adjusted operating margin increased 100bps year-on-year on a reported basis (+140bps OCC), helped by favourable mix and operational efficiencies. Our ambition is to achieve a mid 20s adjusted operating margin over time.

Cash conversion %

101%

Linked to remuneration

R

Why we measure it

Measures how effectively profits are turned into cash, ensuring quality of earnings and liquidity to fund operations, investments and shareholder returns.

How we calculate

Cash flow from operating activities before tax outflows, other cash adjustments (including Business Transformation costs) and cash pension costs as a percentage of adjusted operating profit.

Comments on results

Cash conversion remained over 100%, but declined year-on-year due to an increase in working capital.

ROCE %

38.4%

Why we measure it

Provides a view on how efficiently we generate profit from our capital base, providing a clear indicator of operating and capital productivity.

How we calculate

Adjusted operating profit as a percentage of average capital employed. Capital employed is defined as shareholder funds less cash held, with the pension fund surplus/deficit net of deferred tax deducted/added back.

Comments on results

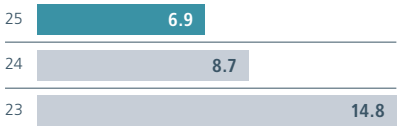
ROCE improved to 38.4%, helped by the increase in adjusted operating margins and disciplined control of capital employed.

Financial KPIs continued

Growth, earnings quality and capital efficiency.

Adjusted EPS growth %

6.9%



Linked to remuneration

R

Why we measure it

Reflects underlying earnings performance by excluding one-off items. Demonstrates progress in delivering strategic initiatives and shareholder value.

How we calculate

Increase in adjusted basic EPS year-on-year (based on adjusted profit after tax), divided by the prior year adjusted basic EPS.

Comments on results

Adjusted EPS growth of 6.9% was in line with the growth in adjusted operating profit. Net finance income was lower in the year, offset by a lower share count.

Non-financial KPIs

Health, safety and environmental performance.

Total recordable incident rate (TRIR)

0.24

Linked to remuneration

R

Why we measure it

Measures workplace safety performance, helping to demonstrate commitment to employee wellbeing, compliance with health and safety standards and quality of manufacturing operations.

How we calculate

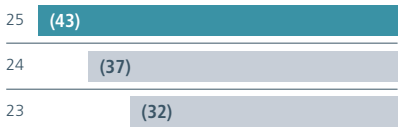
TRIR is the number of recordable incidents multiplied by 200,000 divided by the number of hours worked.

Comments on results

TRIR increased +0.02 in 2025, but overall remains at a low level. We have a relentless focus on safety as we work towards our zero-harm objective.

Scope 1 and 2 emissions tCO_2e %

-43%



Linked to remuneration

R

Why we measure it

Direct and indirect greenhouse gas emissions from operations and energy use, providing a clear indicator of environmental impact and progress towards our decarbonisation goals.

How we calculate

Energy usage, transport and refrigerant data is converted to Scope 1 and Scope 2 (market-based) equivalent tonnes of CO_2e and compared to our 2020 baseline.

Comments on results

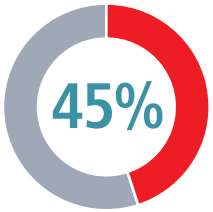
We achieved our targets earlier than planned reflecting the projects and investments throughout the business.

Division:

Oil & Gas

The leading provider of actuators and related technologies for the global oil and gas sector. Our solutions support operations across the entire value chain, from upstream (production and operations), to midstream (pipelines and LNG) and downstream (refining and processing). As customers continue to focus on automation and electrification, our products help them improve operational efficiency, enhance reliability, strengthen safety and lower emissions.

% of Group revenue



£m	2025	2024	Change	OCC change
Revenue	**351.2**	355.5	-1.2%	+0.6%
Adjusted operating profit	**97.6**	92.0	+6.0%	+9.1%
Adjusted operating margin	**27.8%**	25.9%	+190bps	+220bps

Key takeaways

- Revenues were stable on an OCC basis (+0.6%) with growth in upstream and a solid downstream performance.
- Midstream softened in the second half reflecting customer-driven project delays.
- Good growth in EMEA, while growth in APAC and the Americas was more muted.
- Adjusted operating margin increased due to mix and operating efficiencies.

Performance

Divisional revenues were stable, delivering 0.6% OCC growth (reported decline of 1.2%). Upstream revenues increased during the year, supported by continued progress in our electrification Target Segment initiative, despite weak underlying market conditions. Downstream revenues were stable for the year, in line with broader market trends, supported by good levels of service and brownfield-related activity. In midstream, LNG investment remained a tailwind for the business; however, core revenues declined during the year.

Divisional growth slowed in the second half of 2025. Order rates remained good; however, midstream experienced a weaker second half due to customer-driven project delays at the end of the year.

EMEA delivered good growth during the year, supported by strong performance in electrification, LNG and downstream markets. Performance in APAC and Americas was more subdued, with APAC reporting slower growth in core markets in the second half.

Adjusted operating profit for the division was £97.6m. The margin improved year-on-year, supported by growth in Target Segments, favourable product mix and ongoing operational efficiencies.

End markets

We continue to see opportunities across Oil & Gas, with activity increasingly focused on gas, LNG and customer efficiency and automation initiatives.

In upstream, we anticipate subdued market conditions alongside ongoing opportunities driven by gas and electrification trends. Although emissions regulation has been deprioritised in some regions, operators are focused on cost discipline and efficiency, creating opportunities for our upstream electrification initiatives.

Midstream investment in 2026 is likely to be subdued, but led by growth in natural gas infrastructure, LNG-linked assets and brownfield efficiency initiatives. These trends reflect broader demand for energy security, flexibility and reliability, particularly in regions with a greater reliance on gas-fired power generation.

With supportive refining margins, stable demand and limited new capacity planned, we expect the downstream market to remain stable in 2026. We anticipate spending to be focused on maintenance, upgrades and efficiency initiatives, consistent with our higher service and brownfield exposure within this segment.

Segment: Rotork Service
Sector: Downstream
Region: EMEA

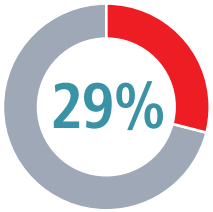
Service continues to represent a key growth opportunity in our downstream markets. In 2025, we supported a leading refinery in Western Europe to enhance actuator reliability and implement a structured preventative maintenance programme. Through phased upgrades to our latest connected electric actuators, combined with proactive diagnostics using our iAM monitoring platform, we helped the customer improve operational performance and asset reliability.

Division:

Chemical, Process & Industrial

CPI supplies specialist actuators and instruments for niche, critical applications across a broad range of chemical, process and industrial markets. Rotork has historically been underrepresented in several of these markets, where we have significant potential to increase market share and develop new opportunities. The division addresses critical reliability, efficiency and safety challenges for customers.

% of Group revenue



£m	2025	2024	Change	OCC change
Revenue	**223.4**	205.0	+9.0%	+7.0%
Adjusted operating profit	**58.2**	53.0	+9.9%	+9.9%
Adjusted operating margin	**26.1%**	25.8%	+30bps	+70bps

Key takeaways

- Revenues grew 7.0% OCC, with a strong second half performance.
- Strong growth in key Target Segments – including speciality chemicals, HVAC, marine and mining.
- Core markets remained subdued during the year.
- Adjusted operating margin increased, driven by positive operating leverage.

Performance

Divisional revenues grew by 7.0% OCC year-on-year (reported growth of 9.0%). Despite a weak chemicals market, overall chemicals revenues were stable due to a strong performance in speciality chemicals offset by continued pressure in the bulk markets due to industry overcapacity. Within speciality chemicals, we recorded good growth in battery chemicals, pharmaceutical and biofuels markets. HVAC continued to deliver good growth, supported by solid performance in critical HVAC and very strong demand in data centre markets. Mining and marine also delivered strong growth during the year. In mining, investment increased across copper and gold markets. In the marine segment, growth was driven by the increasing electrification of vessels, higher defence spending in Europe and the USA and robust activity in Asian commercial new build and retrofit markets. Core process markets were relatively subdued in the year.

Divisional growth rates accelerated in the second half, driven by our initiatives in speciality chemicals, data centres and marine, while underlying market trends remained broadly unchanged.

The Americas delivered strong growth supported by robust performance in HVAC and CPI's core markets. EMEA and APAC recorded modest increases, driven by good growth in Target Segments, partly offset by weakness in core process markets.

Adjusted operating profit for the division was £58.2m. Margins increased during the year, as higher operating leverage more than offset the initial margin dilution from the integration of Noah.

End markets

We continue to see significant growth opportunities for CPI, underpinned by our Target Segment strategy. In speciality chemicals, we expect initiatives across a range of niche industries to continue to support growth, and bulk chemical markets are anticipated to remain mixed in the short to medium term.

In HVAC, we anticipate our expansion into industrial markets to remain a positive contributor, with the outlook for data centres particularly encouraging. We are seeing increasing traction from our go-to-market approach for both Hanbay and Noah within the server room, where opportunities are supported by the transition to liquid-based cooling.

In mining, market conditions remain supportive. We see continued investment in localised processing capacity, easing permitting requirements and increased adoption of higher-technology automated solutions to benefit demand for our electric actuator products.

Segment: Target
Sector: Speciality chemicals
Region: APAC

CPI remains focused on key Target Segments, including speciality chemicals, where we see good growth potential. In 2025, we supported a major Chinese biopharmaceutical customer in expanding operations and improving process efficiency, while maintaining high-quality standards. As part of its intelligent manufacturing transformation, we delivered a range of products with enhanced diagnostics to meet critical requirements for stability, accuracy and monitoring.

The outlook for marine remains encouraging, supported by the industry's transition to sustainable fuels and electrification trends across new build and retrofit markets. Continued regulatory pressure, fleet renewal and defence-related investment in Europe and the USA are expected to underpin demand over the medium term.

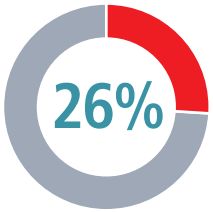
While the structural tailwinds of automation, electrification and digitalisation remain in place, we expect core process markets, which include steel, cement, pulp and paper, to remain relatively subdued.

Division:

Water & Power

A leading supplier of actuators and related products to water, wastewater and treatment markets. It also serves power markets, from geothermal through to gas-powered applications. We have significant growth opportunities through the structural tailwinds in our markets and demand from customers seeking to address water quality and scarcity challenges. Water markets represented around 70% of divisional sales in the year.

% of Group revenue



£m	2025	2024	Change	OCC change
Revenue	**202.7**	193.9	+4.5%	+6.1%
Adjusted operating profit	**58.0**	56.4	+2.9%	+6.0%
Adjusted operating margin	**28.6%**	29.1%	-50bps	-10bps

Key takeaways

- Revenues grew 6.1% OCC, with solid growth in water markets.
- Power markets continued to recover, helped by gas-related demand.
- Strong growth in the Americas and APAC, with more subdued performance in EMEA.
- Adjusted operating profit margin decreased year-on-year, due to mix and investment.

Performance

Divisional revenues grew by 6.1% OCC year-on-year (reported growth of 4.5%). Growth in water infrastructure and treatment markets was solid, supported by continued customer investment in modernisation, resilience and technology. Alternative energy delivered good progress, benefitting from expansion in the solar, wind and geothermal sectors. Core power markets also continued to recover, driven by a strong performance in traditional markets in China and increased gas-related demand in the Middle East and the USA.

Divisional growth rates moderated in the second half due to a tougher prior year comparison. However, underlying market trends remained good, with power improving.

The Americas grew strongly, with robust increases in water treatment and power. APAC also saw strong momentum, supported by good growth in desalination, water infrastructure and alternative energy. EMEA was more subdued, reflecting softer demand in water markets.

Adjusted operating profit for the division was £58.0m. Despite operating leverage on higher volumes, mix effects, currency headwinds and increased investment led to a year-on-year decline in adjusted operating margin.

End markets

Global water investment continues to grow, supported by rising water scarcity, population increases, climate change and ageing infrastructure. Modernisation and resilience programmes are driving activity across most markets, and we expect this demand to remain good. Infrastructure upgrades and advanced treatment projects should continue to provide attractive opportunities, alongside long-term growth in desalination, which will be further supported by our internal initiatives.

Power markets continue to recover, supported by sustained growth in electricity demand from industry, data centres and electrification. We anticipate service and refurbishment activity to remain robust in our core gas and traditional power markets. The outlook for nuclear is also encouraging, and we are investing to re-enter this market to support our installed base and capture longer-term opportunities in the small modular reactor (SMR) segment.

Segment: Target
Sector: Water – desalination
Region: Americas

Water quality concerns, increasing scarcity and tightening regulation are driving significant investment across the water sector, including desalination. In 2025, we secured several desalination orders, including a major project in South America serving copper mines in Chile. Our deep process expertise enabled us to fully understand the customer requirements and accelerate commissioning.

Ben Peacock
Chief Financial Officer

Growth+ drives good order growth, enhanced margins and accelerated capital deployment

The Group delivered another year of profitable growth, with higher orders, sales and operating profit, resulting in 10% organic constant currency ('OCC') adjusted operating profit growth for the year. ROCE increased again in the year to 38.4%, due to good cash conversion and disciplined capital deployment.

Order intake was £782.6m (2024: £744.3m), up 5.2% from the prior year or 6.0% on an OCC basis, with all divisions delivering OCC growth.

Group revenue increased 3.7% on an OCC basis to £777.3m (2024: £754.4m). On a reported basis, revenues increased 3.0%, impacted by a foreign exchange translation headwind of £15.9m. Strong OCC revenue growth in CPI of 7.0% (9.0% reported) and Water & Power of 6.1% (4.5% reported) with modest growth in Oil & Gas of 0.6% (decline of 1.2% reported). Within Oil & Gas, good upstream and stable downstream performance was offset by customer-driven project delays in midstream markets at year end.

Revenue
£777.3m

Adjusted operating profit margin
24.6%

Adjusted operating profit
£191.5m

Profit before tax
£157.9m

Financial review continued

Financial highlights

£m	2024	Exchange	Acquisitions	OCC	2025	OCC change	Change
Orders	744.3	(16.2)	10.6	43.9	**782.6**	**+6.0%**	+5.2%
Revenue	754.4	(15.9)	11.2	27.6	**777.3**	**+3.7%**	+3.0%
Adjusted operating profit	178.4	(6.1)	2.0	17.2	**191.5**	**+10.0%**	+7.3%
Adjusted operating margin	23.6%				**24.6%**	**+140bps**	+100bps

The Financial review includes a mixture of GAAP measures and those which have been derived from our reported results to provide a useful basis for measuring our operational performance. Details of these alternative performance measures are defined in full and reconciled to statutory measures in note 2 of the financial statements. Movements in revenue and adjusted operating profit are given on an organic constant currency basis (see note 2 to the financial statements) so the assessment of performance is not distorted by acquisitions, disposals and movements in exchange rates. OCC growth rates are calculated as a percentage of the retranslated prior year result.

Results summary

	2025	2024	Change
Adjusted profit before tax	**£192.3m**	£183.0m	+5.1%
Adjusted basic EPS	**17.0p**	15.9p	+6.9%
Reported operating profit	**£157.1m**	£135.9m	+15.6%
Reported operating margin	**20.2%**	18.0%	+220bps
Reported profit before tax	**£157.9m**	£140.5m	+12.4%
Reported basic EPS	**13.8p**	12.1p	+14.0%
Cash conversion	**101%**	119%	—
Dividend per share	**8.30p**	7.75p	+7.1%

"In 2025, we delivered growth, expanded margins, strengthened ROCE, completed the Noah acquisition and executed £60m of share buybacks."

Ben Peacock
Chief Financial Officer

Adjusted operating profit increased £13.1m, or 7.3%, to £191.5m, with adjusted operating margin increasing 100bps to 24.6% (2024: 23.6%). On an OCC basis, adjusted operating margin increased 140bps. However, adverse foreign exchange movements of £6.1m equated to a 30bps headwind.

Reported operating profit for the year of £157.1m was £21.2m ahead of the prior year, driven by the increase in adjusted operating profit and non-repeat of a one-time non-cash IAS 19 settlement of £18.0m related to the UK defined benefit pension scheme in the prior year (see note 27). This was offset by an increase in other adjusting items to £31.4m (2024: £21.9m) mainly relating to investment in the Business Transformation programme and disposal-related costs. Further details on adjusting items are provided in note 5.

Net finance income was £0.8m (2024: £4.6m) with the decrease driven by reduced interest income on average cash balances given increased capital deployed in the year.

Adjusted profit before tax was £192.3m (2024: £183.0m), driven by the increase in adjusted operating profit and offset by the reduction in net finance income. The reported profit before tax was £157.9m (2024: £140.5m). The reconciling items between adjusted profit before tax and reported profit before tax are shown in note 2.

Adjusted basic earnings per share was 17.0p (2024: 15.9p), an increase of 6.9%. Reported basic earnings per share was 13.8p (2024: 12.1p), an increase of 14.0%.

Acquisition

On 12 March 2025, the Group completed the acquisition of 100% of the share capital of Noah for a total purchase consideration of £37.6m. Initial consideration of £35.6m was paid on completion, with a further deferred consideration of £2.0m recognised, with future payment contingent on certain performance conditions being met. Including cash acquired of £3.8m, the total cash outflow for current year acquisitions was £31.8m plus settlement of debt acquired of £8.0m. Further details are provided in note 4.

From the date of acquisition, Noah contributed £11.2m to revenue and £2.0m to adjusted operating profit, primarily within the CPI division.

Disposal group held for sale

In the second half of 2025, the Group commenced a sales process for two non-core subsidiaries and, in line with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the Group has classified the assets and liabilities of both subsidiaries as held for sale in the consolidated balance sheet. Further details on the net assets of £12.2m are disclosed in note 18. On 4 March 2026, the Group completed the sale of the disposal group, as disclosed in note 34.

Financial review continued

Adjusted items

Adjusted profit measures are presented alongside statutory results as we believe they provide a useful comparison of underlying business trends and performance from one period to the next. The Group believes alternative performance measures, which are not considered to be a substitute for, or superior to, International Financial Reporting Standards (IFRS) measures, provide stakeholders with additional helpful information on the performance of the business.

The alternative profit measures are adjusted to exclude amortisation of acquired intangibles, costs related to Business Transformation from implementing a new ERP system and integrating business processes, as well as other significant adjustments. These adjustments are made to provide stakeholders with additional information to assess the Group's trading performance on a consistent basis. Further details on adjusted items are provided in note 5.

Currency

The major currencies affecting the consolidated income statement are the US dollar and the euro, with the US dollar weakening against sterling in 2025 and the euro largely flat. The US dollar/sterling average rate of $1.32 (2024: $1.28) provided a headwind, whilst the euro/sterling average rate of €1.17 (2024: €1.18) provided a slight tailwind. The net impact of these movements alongside the basket of other currencies was a £15.9m (2.1%) headwind to revenue and a £6.1m (3.4%) headwind to adjusted operating profit.

The impact of currency on the Group is both translational and transactional. Given the locations in which we operate and the international nature of our supply chain and sales currencies, the impact of transaction settlement differences can be very different from the translation impact. We can partially mitigate the transaction impact through matching supply currency with sales currency, but ultimately, we are net sellers of both US dollars and euros. It is the net sale of these currencies which we principally address through our hedging policy, covering up to 75% of net trading transactions in the next 12 months and up to 50% between 12 and 24 months.

To estimate the impact of currency at the current exchange rates we consider the effect of a one cent movement versus sterling. A one euro cent movement now results in approximately a £0.3m (2024: £0.3m) adjustment to profit and for US dollar, and dollar-related currencies, a one cent movement equates to approximately a £0.7m (2024: £0.7m) adjustment.

Return on capital employed (ROCE)

Our asset-light business model and strong profit margins mean Rotork generates a high ROCE. The average capital employed increased 4.2% over the year to £498.4m (2024: £478.4m). As the Group grew revenue and expanded our adjusted operating profit margins in the year, ROCE increased 110bps to 38.4% (2024: 37.3%). Our definition of ROCE is based on adjusted operating profit as a return on the average net assets excluding net cash and the pension scheme asset/liability, net of the related deferred tax.

Taxation

The Group's effective tax rate increased from 25.4% to 25.9%. Removing the impact of the adjusted items provides a better indication of the underlying rate and, on this basis, the adjusted effective tax rate is 25.3% (2024: 25.2%). The Group expects its adjusted effective tax rate to remain higher than the standard UK rate due to higher rates of tax in China, the US, Germany, Italy, and India.

The Group's approach to tax continues to be to operate on the basis of full disclosure and co-operation with all tax authorities and, where possible, to mitigate the burden of tax within the local legislation.

Cash generation

Cash generated from operations decreased 9.3% to £193.0m (2024: £212.7m) with the increase in adjusted operating profit offset against an increased working capital outflow to support growing revenues and orderbook. The cash conversion of adjusted operating profit into operating cash was down year-on-year at 101% (2024: 119%).

Net cash generated from operating activities decreased 15.5% to £125.8m (2024: £148.8m), in line with the cash conversion noted above and adversely impacted by an increase in the cash flow impact of adjusting items to £27.8m (2024: £21.2m) and an increase in income taxes paid to £39.1m (2024: £38.8m).

Capital expenditure in the year was £9.4m (2024: £14.0m), excluding £5.0m in capitalised product development costs (2024: £4.3m) and £nil in capitalised software (2024: £1.6m). Capital expenditure in the prior year largely related to the completion of our new facility in China which formally opened in November 2024. Our total Research and Development (R&D) cash spend was £13.5m which represented 1.7% of revenue (2024: £13.4m and 1.8% respectively).

As a result, free cash flow (note 2) was an inflow of £106.8m (2024: £120.0m).

The other major cash outflows in the year were dividends paid to ordinary shareholders of £66.6m (2024: £63.3m), share buybacks of £60.4m (2024: £50.3m) and completion of the Noah acquisition of £31.8m (2024: £nil) plus settlement of debt acquired of £8.0m (2024: £nil).

Adjusted earnings reconciliation

£m	Statutory results	Amortisation	Business Transformation costs	Disposal-related costs	Other costs	Adjusted results
Operating profit	157.1	3.0	25.6	3.1	2.7	191.5
Profit before tax	157.9	3.0	25.6	3.1	2.7	192.3
Tax	(41.0)	(0.5)	(6.2)	(0.4)	(0.5)	(48.6)
Profit after tax	**116.9**	**2.5**	**19.4**	**2.7**	**2.2**	**143.7**

The table above shows the adjustments between the statutory results for the significant non-cash and other adjusting items and the adjusted results. Note 2 sets out the alternative performance measures used by the Group and how these reconcile to the statutory results. Further details of the adjusted items are provided in note 5.

Financial review continued

Balance sheet

The Group finished the year with a net cash position of £65.3m (2024: £125.3m). This included cash and cash equivalents of £110.0m (2024: £150.0m), offset by lease liabilities of £22.7m (2024: £24.7m) and borrowings under the Group's revolving credit facility of £22.0m (2024: £nil). The reduction in net cash can be attributed to the free cash flow movements described above, as well as increased M&A activity (Noah) and additional share buybacks.

Net working capital in the balance sheet (including £1.3m of assets held for sale) increased 170bps to 26.8% of revenue (2024: 25.1%), providing a working capital cash outflow of £18.3m (2024: inflow of £7.2m) in the year. Inventory increased by £6.2m to support closing orderbook and trade receivables days' sales outstanding[1] was largely maintained at 58 days (2024: 56 days).

The Group maintains sufficient liquidity for ongoing operations including a £75m unsecured revolving credit facility ('RCF'), and a closing cash and cash equivalents balance of £110.0m (2024: £150.0m). The RCF was extended for two years in March 2026 from 2027 to 2029.

1 Days' sales outstanding is calculated on a count-back method. The sales value including local sales taxes is deducted from the year-end trade receivables to calculate the number of days sales outstanding.

Risk update

Geopolitical instability remains at an elevated level and 2025 brought continued shifts in the geopolitical landscape. As a global business we continue to monitor the trade position between all locations where we are based or have customers or suppliers and have considered the potential impact of additional trade barriers between these countries. Where necessary, we will take steps to mitigate any such changes but continue to believe they will not materially impact the Group's results. We have included scenarios in the Viability assessment on page 67 which model the impact of these current uncertainties.

Cybersecurity risk continues to evolve, and we closely monitor threat intelligence and invest in cyber defences. Actions taken by management continue to mitigate potentially more severe outcomes in relation to supply chain disruption risk. Emerging risks and opportunities continue to be monitored and reviewed. Risks and opportunities under review include those in relation to geopolitical events and technological, social, environmental, climate and sustainability risks.

Credit management

The Group's credit risk is primarily attributable to trade receivables, with the risk spread over a large number of countries and customers, and no significant concentration of risk. Creditworthiness checks are undertaken before entering into contracts or commencing trade with new customers, and in companies where insurance cover operates, the authorisation process works in conjunction with the insurer, taking advantage of its market intelligence. We maintained coverage of the credit insurance policy during the year and have cover in place for virtually all of our companies at an aggregate of 80% of receivables. Where appropriate, we use trade finance instruments such as letters of credit to mitigate any identified risk.

Treasury

The Group operates a centralised treasury function managed by a Treasury Committee, chaired by me and also comprising the Group Financial Controller and Group Treasurer. The Committee meets regularly to consider foreign currency exposure, control over deposits, funding requirements and cash management. The Group Treasurer monitors compliance with the treasury policies and is responsible for overseeing all the Group's banking relationships. A Subsidiary Treasury Policy restricts the actions subsidiaries can take, and the Group Treasury Policy and Terms of Reference define the responsibilities of the Group Treasurer and Treasury Committee.

Where appropriate, the Group uses financial instruments to hedge significant currency transactions, principally forward exchange contracts and swaps. These financial instruments are used to reduce volatility which might affect the Group's cash or income statement. In assessing the level of cash flows to hedge with forward exchange contracts, the maximum cover taken is 75% of net forecast flows. The Board receives treasury reports which summarise the Group's foreign currency hedging position, distribution of cash balances and any significant changes to banking relationships.

Retirement benefits

The Group accounts for post-retirement benefits in accordance with IAS 19 Employee Benefits. The balance sheet reflects the net liabilities of these schemes at 31 December 2025 based on the market value of the assets at that date, and the valuation of liabilities using year-end AA corporate bond yields. We closed both the main defined benefit pension schemes to new entrants – the UK scheme in 2003 and the US scheme in 2009 – to reduce the risk of volatility of the Group's liabilities. In 2018 we further reduced the risk of volatility when we completed the closure to future accrual of both the UK and US schemes. Members of the defined benefit schemes were transferred onto the relevant defined contribution plan operating in their country.

In 2023, the Group made a special contribution of £20m to the Rotork Pension and Life Assurance Scheme (UK Scheme). This contribution, together with some of the existing assets, was used to purchase a bulk annuity covering the UK scheme's existing pensioner liabilities. This was accounted for as a buy-in. During 2024, the UK Scheme completed a further bulk annuity with the full premium amounting to £70m, largely to cover deferred pensioners. This second bulk annuity was accounted for as a settlement under IAS 19.

The IAS 19 funding position of the UK and US schemes reduced from a net deficit of £3.6m in 2024 to a net deficit of £2.3m in 2025. The schemes' assets reduced in value by £1.8m (2024: decrease of £28.9m) and the schemes' liabilities decreased by £3.1m (2024: decrease of £16.1m). The Group paid total contributions of £0.3m over the year (2024: £4.1m).

Dividends

The Board is proposing a final dividend of 5.35p per share. When taken together with the 2.95p interim dividend paid in September 2025, the full year dividend of 8.30p (2024: 7.75p per share) represents a 7.1% increase in dividends over the prior year.

Ben Peacock
Chief Financial Officer
9 March 2026

Sustainability Review

Our business and products can enable the transition to net-zero while positively impacting our people and local communities.

A leader in sustainability

MSCI:
AAA (leader)

S&P Global CSA:
91st percentile in Machinery and Electrical Equipment industry

CDP Climate: B
CDP Water Security: B-

Sustainalytics ESG:
Medium risk

FTSE4Good:
Constituent of the FTSE4Good index

In this section

29 Our progress and looking ahead
31 Materiality overview
32 Spotlight: product innovation enabling a sustainable future
33 Operating responsibly
45 Enabling a sustainable future
49 Making a positive social impact
55 ESG and sustainability governance, integration and measurement
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Our progress and looking ahead

Sustainability framework

2020–2025

Operating **responsibly**

Our mission: to run safe, efficient and sustainable operations.

Read more on page 33

Our commitments

SDG targets: 12.2, 12.5, 12.6

We will maintain strong safety performance through our total recordable incident rate (TRIR) as we strive for a zero harm workplace.

We will embed social, ethical and environmental considerations into our Global Supplier Excellence Programme.

Progress in 2025 TRIR was 0.24.

SDG targets: 13.1, 13.3

We will reduce our carbon emissions.

- Reduce emissions per £1m revenue year-on-year.
- Reduce Scope 1 and 2 emissions by 42% by 2030.
- Reduce Scope 3 (Use of sold products) emissions by 25% by 2030.
- Net-zero for Scope 1 and 2 by 2035 and for Scope 3 by 2045.

Progress in 2025 43% reduction in Scope 1 and 2 (market-based) emissions vs 2020.

Enabling a **sustainable** future

Our mission: to help drive the transition to a cleaner future, where environmental resources are used responsibly.

Read more on page 45

Our commitments

SDG target: 6.4

We will enable sustainable management of water resources and greater water efficiency for our customers.

SDG target: 7.3

We will support customers' energy and emissions reduction and enable them to incorporate renewable energy into their operations.

SDG targets: 9.1, 9.4

We will play our part to enable the global energy transition and support a cleaner, more sustainable future.

Progress in 2025 31% of revenue from our eco-transition portfolio.

Making a **positive** social impact

Our mission: to support thriving, fair and resilient communities.

Read more on page 49

Our commitments

SDG target: 5.5

We will develop and deliver initiatives to drive greater gender and ethnic diversity.

SDG targets: 8.5, 8.7

We will contribute to a fairer society more broadly, including ensuring 100% of employees are covered by our Fair Pay Framework.

Progress in 2025 Maintained a strong employee engagement score.

2026–2030

Elevating our sustainability **vision** to support **Growth+**

Looking ahead: as we evolve our sustainability ambitions, reflecting the impact of our products, our people and our operations, several priorities will guide our direction, for example:

Continued focus on Customer Value: building on our recent successes, we will continue to deliver customer value through our sustainable product design, sourcing and operational practices.

See the YT-1000 case study on page 32 for a recent example of sustainable design delivering Customer Value

Leveraging the strengths of our people: as we evolve our approach, we will engage with our colleagues globally on the part they play in the delivery of our sustainability goals and objectives.

See pages 54, 104 and 105 for more on our colleagues supporting their communities

Delivering the benefits of resource efficiency: building upon the pilot projects undertaken under our current framework, we identified a potential pipeline of further cost-saving initiatives that could be delivered over future years.

See the Manchester case study on page 37 for recent examples of efficiency initiatives delivering cost and energy savings

Our progress and looking ahead continued

Our purpose enables us to support the net-zero transition while creating a positive impact on our people and communities.

Our progress

Performance against our science-based climate targets

We reached significant sustainability milestones in 2025. We are delighted to announce the achievement of our science-based Scope 1 and 2 reduction target. During the year, we cut these emissions by 43% against our 2020 baseline, reflecting substantial progress that outpaced our original plan. See page 35 for more details. Amongst our 2025 initiatives, the headline project was installing a 444 kWp solar photovoltaic (PV) system at our Lucca (Italy) facility.

We are motivated by this success and remain committed to the ultimate goal of net-zero. In 2026, as part of reviewing our overall approach to sustainability, we will review our net-zero roadmap and the timeline for this goal. In the near term, we are challenging ourselves by setting the stretch target of a 60% reduction in Scope 1 and 2 (market-based) emissions by 2030 against the 2020 base year.

We also made strides toward our Scope 3 target in 2025. Our Engineering team identified an enhancement that will reduce our YT-1000 positioner's air consumption by c.30%, resulting in energy and emissions savings. These will contribute towards our target of cutting Scope 3 (Use of sold products) emissions by 25% by 2030. We are also proud to have obtained third-party assurance of our Scope 3 (Use of sold products) emissions in 2025, which represent 81% of our total Scope 3 footprint.

Operating responsibly

2025 was another year of strong operational performance. Our TRIR was 0.24, broadly consistent with previous years. We also piloted several energy efficiency measures at our Manchester (UK) facility, including voltage optimisation and the installation of a building management system and smart metering.

To ensure we continue to operate responsibly, in 2025 we launched enhanced training on the employee Code of Conduct, as well as introducing a channel partner Code of Conduct. Informed by benchmarking against industry best practice, we also updated our Supplier Code of Conduct. This sets out our expectations on topics including human and labour rights and emissions reporting. We continue to engage with suppliers on emissions measurement, reporting and reduction, and 7% of our suppliers (by emissions) have set science-based reduction targets.

Enabling a sustainable future

We maintained our strong ESG ratings in key benchmarks including MSCI (AAA rated), S&P Global's Corporate Sustainability Assessment (91st percentile for the Machinery and Electrical Equipment industry), and CDP Climate (B rated). The proportion of total sales from our eco-transition portfolio increased to 31% in 2025 (2024: 30%) and several case studies of sustainable product applications are available on pages 45 to 48.

Making a positive social impact

We launched our new cultural DNA and behaviours framework across Rotork. This included performance management training to help colleagues adopt the framework, and support for 500+ people managers to bring it to life in our daily work. For more details, see pages 16 and 17.

We continue to support our communities through both local donations and our global charity partnerships with Renewable World and Pump Aid.

Looking ahead

As our current sustainability framework reaches its five-year milestone, it is a natural moment to review our approach. In 2026, we will review our key commitments and focus areas. We will share details of any refinements in 2027.

The EU's regulatory changes have delayed the applicability of the Corporate Sustainability Reporting Directive (CSRD)'s reporting requirements. However, we continue to evolve our ESG reporting in line with stakeholder expectations and in anticipation of the UK's Sustainability Reporting Standards (UK SRS).

2026 priorities

- Commence the review and refresh of our sustainability vision and commitments.
- Pursue our stretch (60%) Scope 1 and 2 emissions reduction target.
- Enhance HSE culture through implementation of Human and Organisational Performance principles.
- Expand environmental lifecycle assessments to new product families.
- Assess the appropriate methodology for calculating supplier emissions at a component level.
- Deepen partnerships with our global charity partners.

Materiality overview

Materiality assessments are a foundational process that ensure we report on the sustainability topics most relevant to our operations, value chain and wider stakeholders. We have undertaken regular materiality assessments since 2020.

Introduction

At the outset of 2025, we were undertaking the necessary preparations to enable compliance with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD). We commenced a double materiality assessment (DMA) in 2024, which was completed in 2025. The EU's Omnibus announcement in February 2025 and subsequent policy changes have delayed the Wave 2 rollout of CSRD, changed the underlying eligibility thresholds, and will simplify the reporting requirements in future. Our business is currently out of scope for CSRD reporting, as these policy changes postpone its applicability to Rotork. However, the DMA will still inform the focus of our sustainability programme and reporting.

Assessing materiality

In 2024, we appointed a third-party adviser to support our DMA process. An initial longlist of potentially material sustainability topics was compiled from the European Sustainability Reporting Standards (ESRS), past Rotork materiality reviews, the assessment criteria of global reporting standards (e.g. GRI) and ESG ratings firms (e.g. MSCI), and the reporting of our industry peers. We then engaged a mix of our external and internal stakeholders on the list of potentially material issues through interviews and surveys. These stakeholders provided views on the relative materiality of this longlist of sustainability topics. With these insights, the adviser developed a draft ranking of the topics by materiality and a register of specific impacts, risks and opportunities (IROs), which could be deemed material for Rotork. We then validated the ranking and supported the adviser to assess IRO materiality.

The results of this exercise were reassuring. The IROs relate to our existing programme themes (see the 'Material sustainability topics' table) and, where appropriate, are incorporated into our enterprise risk management system. While recent policy changes delay the applicability of CSRD, this was a worthwhile exercise and will inform the review of our sustainability strategy which will be undertaken in 2026.

Note on non-financial disclosures

The stakeholder interviews undertaken during materiality assessments can prompt the discussion of a range of non-financial topics. Many of these topics are reported upon within the Sustainability Review, but others are covered elsewhere in the Annual Report. During the 2024–25 review, Rotork stakeholders noted 'Data privacy and security' (see page 66) and 'Geopolitical risks' (see page 62), which are reported on in the Risk Management section and the Corporate Governance Report.

Material sustainability topics

	Materiality of each topic's impacts, risks and opportunities	Coverage
Revenue aligned with impact themes	Double materiality	45–48
Safety, health and wellbeing	Impact materiality	34
Climate change and environment	Impact materiality	35–38
Circular economy and product responsibility	Impact materiality	39–40
Supply chain management	Impact materiality	41–42
Culture, ethics and governance	Impact materiality	43–44
People and culture	Impact materiality	50–53
Social contribution	Lower relative materiality	54

Definitions:

Financial materiality: a sustainability-related risk or opportunity is material if it could reasonably be expected to influence decisions of the users of the Annual Report.

Impact materiality: the positive and negative impacts of a company on the environment or society are material based on factors like the scale and scope of the impact.

Double materiality: the impacts, risks and opportunities of a sustainability issue have both impact and financial materiality.

Spotlight: product innovation enabling a sustainable future

Achieving a step-change in efficiency through best-in-class engineering

The YTC positioner family is one of Rotork's flagship set of products. The YT-1000 (an electro-pneumatic positioner) operates pneumatic linear and rotary valve actuators in safe and hazardous settings across a range of industrial sectors.

The emissions reduction opportunity

Our YTC positioners are typically used in installations where actuation is powered by air compressors. As compressing air can be an inefficient process, with much of the original energy lost as heat, we identified the YT-1000 for a pilot project with a clear aim:

Reduce the air (and consequently the compressor's energy) consumption with no compromises in performance or reliability.

This potential efficiency improvement would cut customers' costs by reducing the energy required to operate the YT-1000, as well as reducing their Scope 2 and our Scope 3 emissions (Use of sold products).

Leveraging our engineering expertise

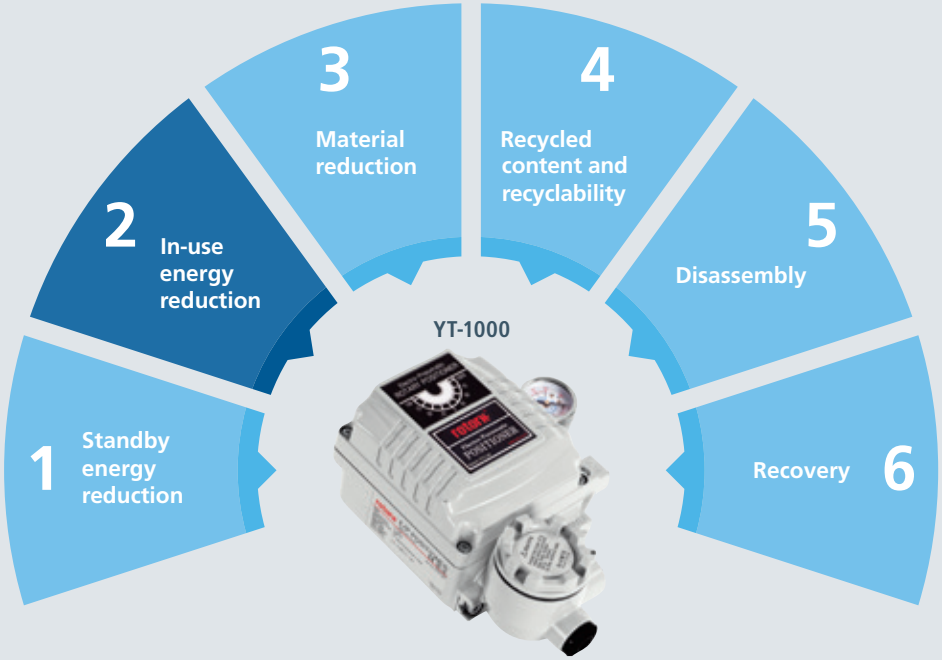
A reflection of our emphasis on 'innovating through customer focus' (see page 50), this project was a cross-functional effort involving our R&D, Product Management and Sustainability teams. Our Product In-Use Steering Committee reviewed the YT-1000 and identified an efficiency opportunity to reduce the compressed air requirement.

We designed and executed a comprehensive testing programme to ensure that there would be no compromise on control accuracy, reliability or responsiveness. Field trials with selected customers were carried out to validate real-world performance. We conducted the tests in accordance with international standards (IEC 61514:2000), and the results were clear: the new YT-1000 configuration achieved a significant reduction in air consumption.

Delivering real-world benefits

- Reducing customer energy costs: this project will result in a c.30% reduction in annual air consumption, directly reducing the operational energy requirement.
- Reducing Rotork's Scope 3 emissions: our net-zero ambitions are a catalyst for innovation which also support the Customer Value and Innovative Products & Services pillars of the Growth+ strategy.
- Demonstrating continued market leadership as a leader in intelligent flow control.

Rotork's sustainable design criteria



Read more about our sustainable design criteria on page 39

Operating **responsibly**

Our mission

We aim to run safe, efficient and sustainable operations.

Our commitments

- We will maintain strong safety performance through our total recordable incident rate (TRIR) as we strive for a zero harm workplace.
- We will embed social, ethical and environmental considerations into our Global Supplier Excellence Programme.
- We will reduce our carbon emissions.

SDGs we will progress

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

In this section

- Safety, health and wellbeing
- Climate change and environment
- Circular economy and product responsibility
- Supply chain management
- Culture, ethics and governance

Safety, health and wellbeing

Our vision is zero harm, including all aspects of health and wellbeing, safety, environmental stewardship and product safety.

A safe environment for all

Rotork remains committed to maintaining a safe and healthy working environment for all employees.

We continue to enhance the effectiveness of our global health, safety and environment (HSE) processes and procedures to ensure they remain robust and aligned with best practice.

Our objectives are to:

- prevent all work-related incidents and injuries;
- prevent all work-related ill health cases; and
- eliminate avoidable severe road traffic incidents.

Health and safety performance

We monitor our HSE performance through industry-standard leading and lagging indicators.

As a UK-incorporated company, Rotork complies with the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) reporting requirements overseen by the UK's Health and Safety Executive. We also meet all applicable local reporting obligations in the countries in which we operate.

Two of our key indicators, the Total recordable incident rate (TRIR) and Near-miss frequency rate (NMFR), align with the Sustainability Accounting Standards Board (SASB) framework.

In 2025, our TRIR was 0.24, broadly consistent with previous years (0.22 in 2024 and 0.26 in 2023).

The NMFR reduced, from 3.78 in 2024 to 2.43 in 2025. First-aid cases also declined to 42 in 2025 (2024: 60).

Based on 2024 peer disclosures, our TRIR performance remains among the strongest in the sector.

We also track our Lost time injury rate (LTIR), which remained constant at 0.08 in 2025, consistent with 2024 and 2023.

A leading approach to a learning culture

We conduct regular reviews of our HSE performance (including an annual assessment) to support our risk-based HSE strategy and drive continuous improvement.

In 2025, we began the introduction of Human and Organisational Performance training to improve our understanding of the role of human factors in safety performance, and to further embed a learning-led culture within the Group. In HSE, the Human and Organisational Performance approach balances our focus across the roles that people, systems and the work environment play in creating the conditions for safe work. This approach has strengthened our focus on critical risks and improves organisational insight, enabling more proactive prevention and more effective controls.

We have rolled out HSE continuous improvement plans across all business areas to support the delivery of strategic objectives and address local risks and priorities.

We continue to strengthen our Global HSE Standards to support business areas and ensure a consistent approach across the organisation.

Engagement in HSE remains strong, reflected in the year-on-year increase in safety spot reporting and Gemba Walks.

Safety spots increase hazard awareness and empower our employees to report potential risks in their working environment.

In 2025, the number of reported safety spots increased by 4.7% compared with 2024.

Gemba Walks are a 'Lean' term for 'the place where value is created'. Gemba Walks enable teams to observe work directly on the factory floor, gaining practical insight into how activities are performed and where improvements can be made.

In 2025, the number of reported Gemba Walks increased by 3% compared with 2024.

Global annual audit programme

Our Global HSE audit programme is now firmly embedded across the organisation, with audit coverage spanning major manufacturing sites, sales locations and service centres. Audits are conducted against our Global HSE Standards, and findings continue to be predominantly minor. We assign agreed actions to site leadership and monitor these actions through to completion. In 2025, 10 global audits were completed, and the programme will continue throughout 2026 and beyond.

Employee wellbeing

Our focus on our employees' wellbeing and mental health continued in 2025. See page 51 for our key activities in the year.

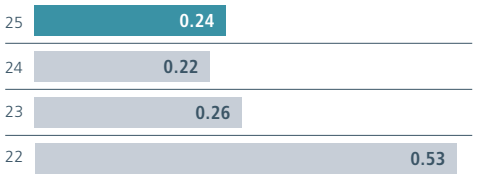
Priorities for 2026

- Enhance HSE culture through implementation of Human and Organisational Performance principles.
- Develop further global standards.
- Implement enhanced HSE digital reporting and digital dashboards.

2025 performance highlights

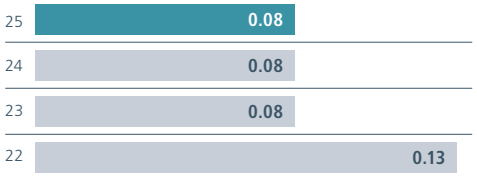
Total recordable incident rate (TRIR)

0.24



Lost time injury rate (LTIR)

0.08



Climate change and environment

We remain committed to addressing climate change and have achieved one of our science-based climate targets ahead of schedule.

Our approach to the environment

Environmental stewardship is a core element of our strategy and operational model. Efficient use of natural resources supports both our commercial objectives and our responsibility to minimise environmental impact. We uphold high standards of environmental performance across our operations and supply chain, with a continued focus on reducing emissions, energy and water consumption, and the volume of waste sent to landfill.

We have established science-based targets (SBTs) covering Scope 1, 2 and 3. We are targeting net-zero by 2035 for Scope 1 and 2 and net-zero by 2045 across Scope 1, 2 and 3.

Energy and emissions performance

Overview

In 2025, we achieved our SBT for Scope 1 and 2 (market-based) emissions ahead of schedule. Market-based emissions decreased by 9% year-on-year and by 43% compared with our 2020 baseline. In addition, our 2025 Scope 1 and 2 (location-based) emissions decreased by 14% versus 2020.

These reductions were driven by the installation of solar PV panels at our Lucca (Italy) facility, energy efficiency initiatives at our Manchester (UK) facility and the increased use of renewable power certificates across our EMEA operations.

Performance against targets

We have achieved our SBT to reduce Scope 1 and 2 (market-based) emissions by 42% by 2030, with 2025 emissions 43% below the 2020 baseline. To reflect our continued commitment, we are raising our ambition by setting a stretch reduction target of 60% by 2030. This stretch target is ambitious and in line with the SBTi's forward-looking ambition adjustment guidance.

Location-based emissions increased in 2025, primarily due to higher natural gas consumption, the acquisition of Noah (South Korea) and the change of use of our facility in Saudi Arabia. Market-based emissions decreased as renewable electricity consumption increased to 74% (56% in 2024).

Emissions from Scope 3 (Use of sold products) decreased year-on-year, with some variance resulting from differing ratios of specific products sold in 2025 vs 2024.

Science-based targets	2030 target	2025	2024
Scope 1 and 2 reduction vs 2020	Original: 42% Stretch: 60%	**43%**	37%
Scope 3 (Use of sold products) reduction vs 2020*	25%	**5%**	0%

* This 2024 and 2025 performance incorporates our improved calculation methodology, as detailed in the GHG accounting methodology on the following page.

	2027 target	2025
Scope 3 (Purchased goods and services) proportion of suppliers with science-based targets	25%	**7%**

Our greenhouse gas emissions and associated energy use

The Group reports its greenhouse gas (GHG) emissions on a metric tonnes of CO_2-equivalent (tCO_2e) basis, covering carbon dioxide, methane, nitrous oxides and hydrofluorocarbons (HFCs). No additional material GHG sources are applicable to our operations, such as sulphur hexafluoride or perfluorocarbons (PFCs).

Our 2025 Scope 1 and 2 (location- and market-based) GHG emissions, Scope 3 (Use of sold products) GHG emissions and total water withdrawal were independently assured by DNV Business Assurance Services UK Ltd (DNV).

DNV's independent assurance report is available on our website, see www.rotork.com/en/sustainability/esg-reports-and-policies

The 2023 and 2024 Scope 3 (Use of sold products) and Scope 3 (End of life treatment) emissions were restated to incorporate an improved calculation methodology that commenced in 2025, see case study on page 40 for more information. The 2024 Scope 3 (Upstream transportation and distribution) and Scope 3 (Fuel and energy-related activities) emissions have also been restated.

Energy use

	Unit of measure	2025	2024	2023
Electricity	kWh	**13,099,712**	12,319,148	11,624,714
Gas	m^3	**1,033,694**	956,914	866,307
Other fuels and steam	GJ	**22,126**	20,895	21,726
Total energy consumption	GJ	**108,545**	101,589	96,477
– UK energy consumption	GJ	**20,626**	22,273	24,607

GHG emissions

Scope 1 and 2 GHG emissions

	Unit of measure	2025	2024	2023
Scope 1	Metric tonnes CO_2e	**3,701**	3,533	3,197
Scope 2 location-based (LB)	Metric tonnes CO_2e	**3,845**	3,605	3,953
Scope 2 market-based (MB)	Metric tonnes CO_2e	**1,640**	2,344	3,113
Total Scope 1 and 2 (LB)	**Metric tonnes CO_2e**	**7,546**	7,138	7,150
– UK emissions (LB)	Metric tonnes CO_2e	**1,198**	1,247	1,380
Total Scope 1 and 2 (MB)	**Metric tonnes CO_2e**	**5,341**	5,877	6,310
– UK emissions (MB)	Metric tonnes CO_2e	**760**	724	854
Emissions intensity (LB)	**tCO_2e per £1m revenue**	**9.7**	9.5	9.9

Climate change and environment continued

Our commitments

Scope 1 and 2 tCO_2e absolute reduction: We continued our strong progress against this emissions reduction target in 2025. Capital investment, ongoing energy efficiency initiatives and the increased use of renewable energy are expected to deliver further reductions in both energy consumption and associated emissions. We continue to evaluate further opportunities, including paint plant process efficiencies, heat recovery solutions and decarbonised and lower-carbon heating.

Scope 3 tCO_2e absolute reduction: We remain committed to reducing our Scope 3 (Use of sold products) and Scope 3 (Purchased goods and services) emissions. As these are the emissions of our customers and suppliers, progress will be driven through continued product design improvements and strengthened engagement across our supply chain.

Energy and emissions performance continued

Our greenhouse gas emissions and associated energy use continued

GHG emissions continued

Scope 3 emissions (metric tonnes CO_2e)

Category	2025	2024	2023
Category 1 – Purchased goods and services	**73,270**	70,861	85,386
Category 2 – Capital goods	**248**	181	600
Category 3 – Fuel and energy-related activities	**2,152**	2,016	1,687
Category 4 – Upstream transportation and distribution	**24,532**	18,554	28,881
Category 5 – Waste generation in operations	**203**	196	209
Category 6 – Business travel	**3,543**	4,857	5,707
Category 7 – Employee commuting	**905**	962	1,870
Category 11 – Use of sold products	**458,977**	482,263	454,086
Category 12 – End of life treatment of products	**715**	763	1,128
Total Scope 3 GHG emissions	**564,545**	580,653	579,554
Scope 3 (Category 11) intensity (per £1m revenue)	**590**	639	631

GHG accounting methodology

For Streamlined Energy and Carbon Reporting (SECR), we disclose the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('the 2018 Regulations').

Our Scope 1, 2 and 3 emissions are calculated in accordance with the Greenhouse Gas (GHG) Protocol, covering the applicable GHGs of carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Where relevant, we have applied the UK Government's GHG Conversion Factors for Company Reporting (UK GHG conversion factors) to calculate emissions across all scopes. For non-UK sites, we calculate our Scope 1 and 2 market-based footprint by applying regional emissions factors from sources. Location-based emissions are calculated using the local average grid emission intensity for the electricity supplied to Rotork's facilities. The methodology for market-based emissions reflects the impact of our contractual arrangements for renewable or low-carbon energy and associated energy certificates.

The full reporting criteria for Scope 1, Scope 2 (location- and market-based) and Scope 3 (Use of sold products) emissions is available on our website at www.rotork.com/en/sustainability/esg-reports-and-policies

The 2020 reporting year serves as the baseline for all targets. Scope 1 and Scope 2 (location and market-based) emissions for 2025 have been independently assured by DNV.

Annual energy consumption (kWh) is calculated from both actual sources (invoices and meter readings) and estimated sources (where energy charges are included within office rental agreements). UK GHG conversion factors are applied to convert other units into kWh. In accordance with SECR requirements, we disclose the proportion of GHG emissions (location-based) and energy consumption attributable to UK operations, estimated at 16% of total emissions and 19% of total energy consumption.

Scope 3 (Purchased goods and services) and Scope 3 (Capital goods) emissions are estimated by mapping spend data to the US EPA's Supply Chain Greenhouse Gas Emission Factors v1.3.

We calculate Scope 3 (Fuel and energy-related activities) emissions by applying well-to-tank (WTT) and transmission and distribution (T&D) emission factors to Rotork's energy consumption data. The 2024 figure has been restated to improve coverage of mobile combustion. In 2025, estimates based on 2024 were undertaken where data was not available.

Scope 3 (Upstream transportation and distribution) emissions are primarily calculated from activity-based emissions calculations sourced from the suppliers. A small proportion of freight activity – where supplier emissions data is not available – is calculated by extrapolating the reported data based on spend. The 2024 total has been restated to correct a calculation error.

We calculate Scope 3 (Waste generation in operations) by applying UK GHG conversion factors to waste disposal data.

Scope 3 (Business travel) emissions are calculated using UK GHG conversion factors applied to distance and nights away data for hotels, air, rail and road transport, with estimations required in some instances. We estimate Scope 3 (Employee commuting) emissions using full-time equivalents (FTEs), the national commuting survey and UK conversion factors.

In 2025, the calculation methods for Scope 3 (Use of sold products) and Scope 3 (End of life treatment) categories were refined and prior years were restated to ensure comparability.

This Scope 3 (Use of sold products) calculation now incorporates detailed energy performance information (see page 40). These figures exclude well-to-tank and transmission and distribution (T&D) related emissions.

Scope 3 (End of life treatment) emissions are calculated using UK GHG conversion factors, the number of products sold during the reporting period and country-specific recycling rates.

The emissions intensities (per £1m revenue) are respectively calculated by dividing: (i) Scope 1 and 2 (location-based) emissions; and (ii) Scope 3 (Use of sold products) emissions by total revenue.

Climate change and environment continued

2025 performance highlights

Headline targets

43%

decrease in total Scope 1 and Scope 2 (market-based) emissions versus 2020 baseline

9.7

tCO_2e per £1m revenue (location-based)

Progress in 2025

In 2025, our investment in renewable energy and efficiency initiatives continued to enable emissions reductions across our operations. At our Lucca (Italy) site, we installed 444 kWp (kilowatt peak) of solar panels and procured renewable energy certificates to fully cover our remaining electricity consumption. The expanded use of renewable tariffs at our Langenzenn and Melle sites in Germany further increased our use of renewable energy.

Seeking Scope 1 emissions reductions, we began evaluating opportunities to optimise the paint plant operations. At Lucca, we reduced natural gas consumption by introducing a timed shutdown procedure (see case study). We will continue to identify best practices and promote their adoption across our paint plants in 2026.

At our Manchester (UK) site, we piloted several initiatives to improve energy performance. A voltage optimisation (VO) unit is expected to reduce energy consumption by more than 5%. The installation of smart metering, which will supply granular data to the Building Management System (BMS), will provide greater visibility of inefficiencies and further reduction opportunities.

Optimising paint plant efficiency at Lucca (Italy)

In March 2025, our Lucca facility implemented a timed shutdown procedure for its paint plant, which switched off the natural gas supply at the end of each shift. This initiative reduced natural gas consumption and helped to maintain lower operating temperatures, improving overall energy efficiency.

These improvements build on previous efficiency investments at the site, including LED lighting automation, water flow regulation and liquid waste treatment enhancements.

Together, these measures demonstrate the site's focus on operational efficiency and its contribution to the Group's sustainability performance.

Efficient operations at Manchester (UK)

During 2025, our Manchester site piloted voltage optimisation (VO) technology. VO reduces unnecessary electricity consumption by correcting instances where grid-supplied voltage exceeds equipment requirements. The initiative reduced energy use and associated emissions while supporting improved equipment reliability through lower electrical loading.

During the year, the site also installed smart metering hardware, which will provide granular consumption data to the building management system. This enhanced visibility enables more accurate identification of energy inefficiencies and irregularities, while supporting data-driven, automated building control.

Alongside the electric heating system installed in 2024, these investments have contributed to Manchester becoming our lowest-emitting assembly site in the Group.

Climate change and environment continued

Environmental management

Environmental management systems play a critical role in managing environmental impact and embedding best practice across the Group.

Our ISO 14001 certificates are published on our website at www.rotork.com/en/about-us/company-certification

We have completed resource efficiency surveys at 11 sites since 2023. Insights from these assessments continue to inform our decarbonisation roadmap and guide our future investment decisions.

Water management and use

Water usage across Rotork's sites remains relatively low, largely driven by domestic and sanitary needs. Operational activities (such as paint processes, product cleaning and pressure testing) contribute less to overall usage.

Total water withdrawal increased by 1% in 2025 compared with 2024, primarily due to improvements in our reporting methodology.

Unit of measure in cubic metres	2025	2024	2023
Total water withdrawal	**36,526**	36,130	33,269

Water stress and biodiversity risks

In 2025, we updated our annual water stress risk assessment which reviews exposure to water scarcity, flooding, water quality and ecosystem-related risks. Consistent with prior years, only a small number of sites were identified as having potential exposure to water stress-related risks and mitigation plans are in place to manage these risks. During 2025, we also completed our first biodiversity risk assessment to strengthen our understanding of environmental dependencies and to inform future resilience planning supported with mitigation plans.

Our role in water preservation

Demand for water infrastructure is strong across both developing and developed markets. Leak detection and water quality are a major focus of the water industry and shortages are driving the development of smart grids. Water infrastructure also requires modernisation in many countries. Increasing regulations relating to water quality, reuse and sludge treatment are driving water-related capital expenditure across industry. Water scarcity is resulting in greater need for recycling and desalination, driving investment in these processes. Rising water levels are necessitating flood defence investment. There are applications for Rotork's products in each of these end uses.

Waste management

We continue to focus on reducing waste generation and improving waste-handling practices across all operations.

In 2025, total waste generated reduced by 2%, while the recycling rate increased to 75% (2024: 73%). In the UK, we completed the transition to a zero-waste-to-landfill provider, which is expected to eliminate over 900 kilograms of waste sent to landfill in future years.

We are evaluating opportunities to reduce both non-hazardous and hazardous waste and to further enhance our recycling performance in future.

Unit of measure in metric tonnes	2025	2024	2023
Total waste	**2,360**	2,399	2,363
Waste recycled	**1,763**	1,744	1,712
Sent to landfill	**359**	337	396
Of which hazardous	**25**	23	46
Sent to energy recovery	**238**	318	256

Circular economy and product responsibility

We are committed to enabling a sustainable future, meeting our science-based emissions reduction targets and contributing to a low-carbon economy through our intelligent products and services.

IQ3 Perform displays: energy efficient as the default setting

Our IQ3 Perform actuators (introduced in 2025) are shipped with their display screen set to energy-saving mode. While easily adjusted, for customers not requiring brighter displays, the energy efficient option is the default.

Efficiency gains accrue, and our engineering team continues to seek and incorporate these cost, energy and emissions-saving features.

Sustainable design criteria

We consider environmental criteria as an integral part of our product development process. We aim to reduce the impact of our products by considering key sustainability performance features: (i) standby energy; (ii) in-use energy; (iii) material reduction (incorporating paint and adhesive reduction); (iv) use of recycled content in and recyclability of product and packaging; (v) disassembly; and (vi) recovery. Within new product development, future generations of our products will have targets for each of these six criteria.

Environmental lifecycle assessments

Environmental lifecycle assessments (LCAs) play a key role in benchmarking the impact of existing products and tracking the benefits from our incorporation of the sustainable design criteria. LCAs enable engineering teams to prioritise by identifying the high-impact lifecycle stages and materials.

Following the implementation of Sphera's lifecycle assessment software in 2023 and four initial LCAs in 2024, Rotork completed 16 LCAs in 2025 focused on our IQ3 product family.

Rotork's approach to environmental lifecycle assessments (LCAs)

Coverage	5% of product portfolio (by emissions) 2024–25: Assessed a sample of our flagship IQ3 products as the initial tranche 2026: Commence assessment of the wider product portfolio
Impact assessed	GHG emissions
Scope	Cradle-to-gate
Alignment with key standards	ISO 14040 and 14044 aligned*

* Aligned with S&P CSA's definition of a 'full LCA'.

Product stewardship targets

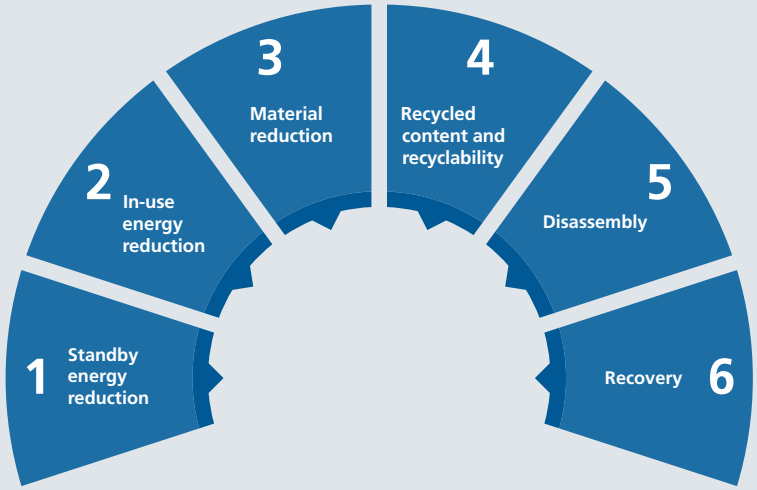
Standby and in-use energy reduction

Rotork is committed to improving the energy performance of our products in operation (and consequently reducing their in-use emissions). We have set a science-based target to reduce Scope 3 (Use of sold products) emissions by 25% by 2030, and incorporate this into our product development roadmaps. We calculate emissions associated with product use each year, as part of preparing the Scope 3 reporting on page 36.

Our key achievement in 2025 was delivering the performance enhancement to the YT-1000 positioner, detailed on page 32, which delivered a substantive reduction in air consumption.

2030

To achieve our 2030 target of reducing emissions from product use by 25%, we have introduced these energy requirements (1–2) for all future products



2045

To achieve net-zero for Scope 3 emissions by 2045, we have embedded these additional sustainable design requirements (3–6) for all future products

Circular economy and product responsibility continued

Product stewardship targets continued

Use of materials: material reduction, recycled content and recyclability

We generally operate an assembly-only philosophy across the Group, meaning that most manufacturing processes to produce our products are undertaken by our suppliers. The main components of our products – aluminium, steel and copper – are highly recycled and recyclable. We have fully incorporated 'product recyclability' criteria into our new product development process.

Components vary by product family, depending on how they are operated – electrically, pneumatically or hydraulically. The weight of material inputs also varies by product across our portfolio. Our IQ3 actuator (one of our flagship products) provides an example of the typical materials we use in our electric actuator product range. These are: metals, glass, electrical and electronic equipment, batteries, plastics, oil/grease and rubber.

We expect suppliers to apply the principles of our Supplier Code of Conduct. The Code covers our expectations of social, ethical and environmental conduct, published on our website and included in our standard supplier terms and conditions. The Supplier Code of Conduct requirements include an expectation that suppliers calculate and publish emissions associated with their manufacturing activities.

Further information on our engagement with suppliers on emissions measurement and reduction is available on page 41

Disassembly and recovery: responsible disposal at end of life

With respect to product life, we operate a design philosophy that ensures products are repairable in the field (where logical to do so).

Our product manuals provide end-user advice on disposal when an asset reaches the end of life stage, in accordance with environmental standards. We provide specific guidance on the disposal of batteries, electrical and electronic equipment, glass, metals, plastics, oil/grease and rubber. The majority of these are readily recyclable, with others recyclable by specialists.

Our manuals also include detailed health and safety advice for the installation and operation of products. We publish the manuals on our website in numerous languages (www.rotork.com).

Our products typically have a long lifespan and are replaced infrequently. Generally customers take responsibility for disposal at end of life.

Product safety

Rotork products play an important role in supporting our customers' safety objectives. All our products are compliant with internationally recognised safety standards. Many products are externally certified to internationally recognised safety standards, and approximately 50% are externally certified for use in hazardous locations. This includes products that are compliant with functional safety standards for applications such as safe plant operation and emergency shutdown.

Our suppliers are required to certify their compliance with RoHS and REACH regulations. RoHS restricts the use of specific hazardous materials found in electrical and electronic products, and REACH concerns chemicals and their safe use. We seek compliance from our suppliers globally.

Reliability Services

Rotork Service provides a suite of Reliability Services to help our customers manage their assets efficiently. It is a full lifecycle asset programme that enables customers' critical assets to operate at peak performance, ensuring wider site uptime and productivity, improved safety and reduced environmental impacts. Reliability Services offers a service contract model that supports customers towards better maintained assets, delivering greater process uptime.

Intelligent Asset Management is a cloud-based platform that sits within the Connected Services part of our Service business. The analytics platform collects information from data logs held within intelligent electric actuators, offering anomaly detection and accurate asset health reporting. This allows users to understand the condition of their assets, supporting both predictive and preventative maintenance strategies.

Service and maintenance programmes can be designed in several ways. One approach is to service assets on a regular schedule, regardless of age or usage. However, the age of a device is not the best predictor of the likelihood of actuator or valve failure; the precise condition of an asset is much more accurate. Some actuators are not frequently operated, instead providing testing or emergency shutdown capabilities. Conversely, others offer constant modulating control in harsh environments.

Specific condition monitoring, using data from each actuator in the field, provides information about their actual operational characteristics. Data can be collected, analysed and then used to optimise maintenance. This proactive analysis is key. It enables earlier failure prediction, reduced failure risk and cost, and a maintenance programme that is scheduled to match risk levels. Longevity of data capture is also important; the longer an asset is monitored, the richer the data it provides becomes. By keeping a site running at an optimum level, customers are able to make the most efficient use of environmental resources.

Scope 3 data maturity: achieving assurance of our key Scope 3 emissions category

During 2024, we reviewed our methodology for calculating Scope 3 (Use of sold products) emissions. With our ultimate target of obtaining third-party assurance of these emissions, we launched a cross-functional initiative to develop a repository of the energy performance evidence for our entire product portfolio.

Supply chain management

We expect our suppliers to maintain high standards of ethical conduct, aligned with our environmental and social aims. This enables us to maximise value created for our business, those working in our supply chain, our communities and the environment.

Rotork has a long-standing reputation for integrity, fair dealing, ethical behaviour and paying on time. As part of our Growth+ strategy, we continue to optimise our supply base and concentrate our spend with strategic supply partners.

We have comprehensive quality assurance procedures for suppliers. These include supplier approval and component qualification processes, supplemented by supplier visits and a vendor rating system to measure their performance.

Our approach

All suppliers are expected to comply with our Supplier Code of Conduct. The Code sets out our expected standards, including promoting equal opportunities, human rights, freedom of association, labour rights, environmental protection and our zero-tolerance approach to bribery and corruption. It applies to all our suppliers globally and their own supply chains. We will take appropriate action against any supplier that fails to adhere to our Code, which can include the termination of their contract.

We undertake due diligence on prospective suppliers and assessments of existing suppliers to manage modern slavery risks in our supply chain. We engage an independent intelligence provider to help analyse our supply base and follow up with audits when necessary.

Our Supplier Code of Conduct

Our Supplier Code of Conduct sets out our expectations of suppliers on environmental, social and governance topics. This includes an express right of audit, incorporating a requirement to make supplier premises and personnel accessible to Rotork. The Code is applicable to all suppliers and third parties globally.

Our Code includes an explicit requirement for suppliers to pursue efforts to publicly report greenhouse gas emissions. In addition, it expressly sets out our requirement for suppliers to pay wages and benefits that meet or exceed national minimum requirements and to adhere to working time regulations; to comply with applicable laws and regulations relating to fair competition, money laundering and the non-facilitation of tax evasion; and to adhere to both the spirit and the letter of our Conflict Minerals Policy. The Code also encourages suppliers to align with internationally recognised social standards, such as SA8000. The Code is embedded in all new supplier contracts.

In 2025 we benchmarked our Supplier Code of Conduct and launched an updated version to formalise expectations on supply chain security, customs law, country of origin, cybersecurity, product compliance, environmental responsibility and quality requirements. We also aligned our Supplier Code of Conduct with our refreshed Rotork Code of Conduct, strengthened guidance on ethics and governance and issued the Supplier Code of Conduct in 10 languages.

We have a clear process to validate that suppliers are meeting the requirements set out in our Supplier Code of Conduct and upholding Rotork's commitments to social, environmental and ethical standards in the supply chain. The process outlines our approach to assessing social, environmental and ethical risks. This includes supplier self-assessment, enhanced surveys for suppliers scored as medium- or high-risk, and site audits for medium- and high-risk suppliers.

We develop our risk scores through a combination of factors, including scores relating to the supplier's country of operation, with country-based index scores for human freedom, child labour, corruption and health and safety. We draw on internationally recognised indices provided by organisations such as the International Labour Organization. The process also documents our escalation procedures for any concerns identified, with significant concerns to be reported to our Legal function.

In 2025 we reviewed and updated the commodity-based risk scoring element and how we prioritise supplier assessments during the triage and assessment process. As a result, we have increased diligence on high-risk commodities across all jurisdictions. During 2025 we expanded our dedicated ESG supplier audits.

Supply chain emissions

One of our three science-based climate targets is a supplier engagement target, which ultimately aims to reduce the emissions associated with our purchased goods and services. We are committed to engaging with suppliers on the topic of emissions measurement and data sharing, with a target that 25% of our suppliers (by estimated emissions) will set science-based targets by 2027. During 2025, we engaged directly with suppliers responsible for 40% of our Scope 3 (Purchased goods and services) emissions to review their emissions reduction initiatives and obtain their actual emissions data. By the end of 2025, 7% of our suppliers (by emissions) have set science-based targets. In 2026, we will review our options for calculating supplier emissions at a component level.

Risk management

As an international group with a predominantly outsourced manufacturing model, our supply chain is key to delivering our purpose of 'keeping the world flowing for future generations'. Supply chain disruption is identified as a principal risk to the business, and we monitor our supply chain performance and resilience closely. Disruption could arise for a number of reasons, including financial stability and contracting risk, variability in quality/delivery performance or acute operational issues (for example, tooling issues or transport delays).

Our supplier risk framework incorporates a wide range of risk domains and elements, providing a structured approach to assessing supplier risk and resilience. The framework defines our risk and resilience criteria, material risk domains, underlying risk elements, and the levels of diligence applied to different types of suppliers. Risks are captured on a centralised scorecard and reviewed quarterly to determine whether any specific actions are required.

The framework also includes resilience workstreams, such as single source risk mitigation strategies, sub tier resilience, and systematic scenario planning and stress testing processes. During 2025, we continued to apply and expand the framework and further implement these resilience workstreams.

Supply chain management continued

Supplier assessments

We use a third-party software platform to support management of supplier self-assessments and ensure their timely completion. The platform includes ESG and compliance modules that we ask suppliers to complete on specific topics, such as greenhouse gas emissions reporting. The software automates the collection and collation of suppliers' responses to enable effective oversight and management of ESG issues in the supply chain. During 2025 we achieved our target for coverage (by spend) in the system, and have shifted focus from increasing coverage to validation of supplier responses and work with suppliers to improve in critical areas. We use a dedicated software platform for supplier cybersecurity checks during their onboarding. The results are reviewed by a third party, which provides recommendations to our Procurement and Cybersecurity teams.

We also use an additional third-party software platform to monitor whether our suppliers are sanctioned entities, owned or controlled by sanctioned individuals or on other official lists. During 2025, we expanded the scope of monitoring to include adverse media, and we established internal KPIs on the coverage, volume of alerts and effectiveness of the process.

See page 44 for further details on our sanctions programme

Our supplier assessment and onboarding process ensures that potential suppliers that do not meet the minimum standards are eliminated early from any formal tendering or engagement process with us. We also provide feedback to any companies we have assessed, even if unsuccessful, to provide them with potentially valuable development opportunities to consider.

We have incorporated sustainability-related questions in our routine on-site supplier assessments and continue to embed sustainability elements into site-level processes.

During 2025, our lean facilitator in Operations Excellence led kaizen (continuous improvement) events to identify inefficiencies and improvement opportunities within the end-to-end supplier selection and onboarding process.

Conflict minerals

Rotork does not purchase raw materials from, or work directly with, smelters or refineries. We purchase components several tiers removed from smelters in the value chain. Our approach is therefore focused on engaging with our suppliers to identify, manage and correct any risks. Our Conflict Minerals Policy clearly states our approach to engagement and risk management.

Our Conflict Minerals Policy sets out our commitment to not use tantalum, tin, tungsten and gold (3TG) that directly or indirectly finances, or benefits, armed groups in the Democratic Republic of the Congo or adjoining countries. The scope of the Policy also includes other Conflict Affected and High-Risk Areas (CAHRAs). Management responsibility for the policy lies with our Operations Excellence Director. The policy is published on our website at: www.rotork.com.

We exercise due diligence based on the 'Responsible Minerals Initiative' (RMI) guidance, by mapping our supply chain using its 'Conflict Minerals Reporting Template' (CMRT) and following up any concerns raised via a corrective action management process. Group-wide procedures define our risk management process and support the commitments of the Conflict Minerals Policy. We describe in-scope commodities, the supplier communications approach (including the requirement for an annual supply chain conflict minerals survey, based on the template provided by the RMI) and the management approach in the event of supplier non-conformance.

Our Group-wide conflict minerals management procedure also describes our definition of high-risk smelters to guide colleagues in interpreting the results of the supplier conflict minerals survey. This survey collects information on the smelters used by our suppliers and minerals' country of origin.

We have a dedicated section on our employee intranet to help drive awareness of conflict minerals, the associated risks, how to identify these risks in the supply chain and how to respond to requests for our conflict minerals declaration.

We also educate suppliers of commodities that could contain 3TG about conflict minerals risks when requesting their responses to our annual survey. Should we identify and confirm that a supplier is using a high-risk smelter, our process is to engage with our supplier and to request that they change their source. Ultimately, we may re-source to a supplier that does not use high-risk smelters.

During 2025 we increased the granularity of the data we provide to interested parties as we started to issue product-based declarations, in addition to our Company-wide conflict minerals reporting template.

Per- and Polyfluoroalkyl (PFAS) reporting

During 2025 Rotork developed a standardised method and cross-functional working group to complete PFAS assessments for our products. We completed studies for key product lines, and we will continue to expand coverage by product line. This data will be available on request to support our customers ahead of forthcoming legislation.

Culture, ethics and governance

We strive to act ethically in the way that we do business. This is inherent in our DNA and reflected in our Code of Conduct.

Our Code of Conduct

Our Code of Conduct, together with our DNA values and behaviours, form our cultural foundation. The Code sets out the standards of behaviour that we expect from anyone acting on Rotork's behalf, including all permanent employees, temporary workers and contractors. Our Code also provides support and guidance in difficult situations. It is designed to underpin and shape our people's behaviour, forming part of our desired culture, and serves as an important reference point as they carry out their day-to-day responsibilities and represent our business. We expect everyone to follow the Code of Conduct and act with integrity at all times.

Our Code of Conduct is published on our website at www.rotork.com/en/sustainability/esg-reports-and-policies/rotork-code-of-conduct

We have a number of policies that sit beneath and support our Code of Conduct, covering Anti-Bribery and Corruption, Speak Up, Confidentiality, Conflicts of Interest, Fair Competition, Gifts and Hospitality, Data Protection, Modern Slavery, Share Dealing and Trade Sanctions. These policies apply to our operations globally, including to subsidiary companies and joint ventures.

We continually embed our values and Code of Conduct throughout our organisation. Our Supplier Code of Conduct sets out our core expectations in terms of ethical values and the behaviours of our suppliers and our suppliers' own supply chains.

The Supplier Code of Conduct is published on our website at www.rotork.com/en/sustainability/esg-reports-and-policies/supplier-code-of-conduct-policy

Ethics and compliance training

Employee training and awareness is one of the core elements of our Ethics and Compliance programme. New joiners to our business are introduced to our values and expected behaviours during formal induction sessions.

Our eLearning platform enables a range of ethics and compliance training to be provided to employees and provides full auditability. This platform provides mandatory training on a variety of topics, and this training is available in a number of languages. Foundational Code of Conduct modules and Speak Up training emphasise both the importance of speaking up if wrongdoing is suspected and Rotork's No-retaliation Policy. Our new joiners training programme includes courses on anti-bribery and corruption, conflicts of interest, fair competition, modern slavery, gifts and hospitality and data protection. Code of Conduct training was rolled out to all digital employees globally during 2025, with a completion rate of 99%. Our non-digital colleagues also received Code of Conduct training via classroom sessions. Our Code of Conduct training covers the following topics: Ethical Decision-Making, Speak Up, Conflicts of Interest, Fair Competition, Anti-Bribery and Corruption, Gifts and Hospitality, Data Privacy and Protection, Confidentiality and Protection of Assets and Human Rights and Modern Slavery.

As part of our commitment to good governance, our mandatory compliance certification, launched each January, asks employees to provide a statement confirming compliance with: the Code of Conduct and associated policies, the completion of all mandatory training, and the declaration of any actual or potential conflicts of interest. Any conflicts of interest declared are reviewed, assessed and addressed where necessary. As part of its oversight of our culture within the organisation, the Board received an update in 2025 on the completion of these mandatory certifications by our employees.

Human rights and modern slavery

We continually look for ways to support the promotion of human rights within our operations and our sphere of influence. We obey the laws, rules and regulations of every country in which we operate. We respect internationally recognised human rights, as set out in the United Nations International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. These cover freedom of association, the abolition of forced labour, equality and the elimination of child labour.

Our Modern Slavery Policy includes a range of key performance indicators (KPIs) to monitor the risk-based actions that we take to mitigate risk and to assess the effectiveness of our control measures. We review the KPIs annually to ensure that they remain relevant and appropriate.

Our Modern Slavery Policy is supported by training that aims to raise employee awareness of modern slavery and human trafficking risks in our business and supply chain. All employees who have access to the eLearning platform receive our mandatory modern slavery course. The course content includes what modern slavery is, its forms and key indicators, how to identify and respond to modern slavery risks, key risk areas, and how to report concerns. The course also provides targeted content for members of the Rotork Management Board and our Procurement and Human Resources functions. Our foundation Code of Conduct eLearning and training for our non-digital employees also include a module on human rights and modern slavery.

Our Supplier Code of Conduct, updated in 2025, sets out our minimum expectations regarding human and labour rights among its requirements. We assess potential slavery and human trafficking risks arising from supplier relationships using a number of different methods. These include assessing new and existing suppliers and conducting supplier site visits. If an issue is identified, we will undertake appropriate remedial action.

This might include placing appropriate contractual obligations on a supplier, working together with a supplier on a corrective action plan, or ceasing to work with a supplier altogether.

Further information about the steps we took to address modern slavery risk during 2025 is set out in our 2025 Modern Slavery Statement at www.rotork.com/en/investors/modern-slavery-statement

Culture, ethics and governance continued

Anti-bribery and corruption

We have a zero-tolerance policy towards bribery and corruption worldwide, irrespective of country or business culture. Both our Code of Conduct and our Anti-Bribery and Corruption Policy prohibit the offering, paying or solicitation of bribes in any form. Additionally, our Gifts and Hospitality Policy provides guidance on the rules relating to the giving and receiving of gifts and hospitality. Requests to offer or accept gifts or hospitality (over a de minimis threshold) are recorded in our automated register, together with whether approval has been granted.

Third-party risks

We have procedures in place to manage third-party risks (including bribery risk) across our operations, including the selection, appointment and monitoring stages. During 2025, we have identified improvements to our channel partner lifecycle management process, including reviewing our routes to market and the classification of our channel partners (agents, distributors and resellers) to support our Growth+ strategy. We are currently piloting the improvements in China, with the expectation of a global rollout in 2026.

Our channel partners must adhere to our Channel Partner Code of Conduct, which is published on our corporate website at www.rotork.com/en/terms-and-conditions/channel-partners

Sanctions

We have an established sanctions compliance programme that seeks to mitigate risk relating to trade and financial sanctions. This programme includes screening third parties through sanctions software and monitoring changes in legislation for restrictions on supplying products in certain territories or to certain third parties. It also focuses on mitigating against the diversion of goods to sanctioned territories and sanctioned persons. An updated Sanctions Policy was approved by the Board in 2025. Procedures to implement the Sanctions Policy are documented in the Sanctions Manual, which is continually updated to reflect changes to legislation and regulatory guidance. As part of our ongoing commitment to develop our people, we will deliver training on the Sanctions Policy in 2026.

Fair competition

During 2025, we finalised the updates to our Fair Competition Policy and an accompanying manual, and developed supporting targeted, risk-based training. Training will be delivered to our employees during 2026.

Our policy on political donations

Rotork is a politically neutral organisation. Our Code of Conduct includes a section on political donations, confirming that Rotork does not make political donations in any part of the world, to any political campaign, party, candidate or their affiliated organisation. No political donations were made during the year.

Encouraging colleagues to 'Speak Up'

We have an open and transparent cultural DNA, and this is underpinned by our Speak Up Policy.

Our Speak Up Policy encourages the reporting of any suspected wrongdoing as soon as possible and without fear of detrimental treatment because of raising a concern. It applies to all individuals working within, for, or with Rotork, including our suppliers.

We offer a range of channels for raising concerns. Our policy encourages employees to contact their line managers, our Head of Ethics and Compliance, our Group Chief Human Resources & Sustainability Officer or our Group General Counsel & Company Secretary. We also offer an independent, global and multilingual external reporting service managed by Safecall. This service allows concerns to be raised anonymously, if preferred.

The service is available to employees, external stakeholders and the public and is operated 24 hours a day, seven days a week. Reports can be made to a local freephone number or submitted via Safecall's website. All concerns raised are investigated promptly.

During 2025, we continued to promote the importance of speaking up via our various Speak Up mechanisms, through mandatory eLearning and other communication channels. We also educated managers on the importance of creating a Speak Up culture as part of our People Manager Programme. In 2026, we plan to offer additional training to further equip our managers with knowledge and confidence to deal with employee concerns, as well as providing investigation training to our Legal, HR and other functions that support with workplace investigations.

Our Speak Up Policy is available in 11 languages and is published on our website at www.rotork.com/en/sustainability/esg-reports-and-policies/speak-up-policy

Board-level oversight

As part of its ongoing oversight of the Company's good governance practices and oversight of the Company's culture, the Board received a detailed presentation from the Group General Counsel & Company Secretary on Rotork's ethics and compliance programme at its August 2025 meeting. Additional updates were provided at other meetings during the year, as necessary. The Board reviews concerns reported about suspected wrongdoing, and, where required, agrees actions to be taken to prevent a potential reoccurrence. The Board is updated on the compliance training undertaken and planned during the year, together with completion statistics. It also reviews the outcomes of our employee engagement surveys, to help identify any areas where employees feel that there is a divergence between their experience and our cultural DNA.

For more on ESG governance, see page 55

Priorities for 2026

Aiming to continuously improve, our key priorities in 2026 are to:

- build on managers' existing capabilities by providing focused training on how to respond effectively and take appropriate action when employees raise concerns;
- enhance the expertise of departments supporting Speak Up investigations through specialised best-practice investigation training; and
- continue to enhance our third-party risk management programme.

Enabling a **sustainable** future

Our mission

To help drive the transition to a low-carbon future where environmental resources are used responsibly.

Our commitments

- We will play our part to enable the global energy transition and support a cleaner, more sustainable future.
- We will support customers' energy and emissions reduction and enable them to incorporate renewable energy into their operations.
- We will enable sustainable management of water resources and greater water efficiency for our customers.

SDGs we will progress

In this section

Revenue aligned with impact themes

Our eco-transition portfolio represented

31%

of sales in 2025

- **Electrification of oil and gas operations**
- **Managing water resources**
- **Advancing sustainable fuels**

Electrification of oil and gas operations

A typical oil and gas production wellhead uses a choke valve to control the flow and pressure of hydrocarbons to the next step of the production process.

Traditionally the choke valve has been controlled manually using a hand wheel. A disadvantage of this method is the risk of methane emissions downstream (for example, through emergency venting or incomplete flaring) if there is an unplanned increase in flow or pressure while the wellhead is unmanned.

In the International Energy Agency's (IEA) latest report on methane emissions, it highlights upstream operations as both the 'main source of emissions in the oil and gas industry' and the area with the 'greatest potential for cost-effective abatement'. The IEA estimated that the industry could avoid 40% of upstream methane emissions at 'no net cost'. The report also notes the emissions reduction opportunities in mid- and downstream. These emissions primarily occur during the transportation of natural gas.[1]

The reduction of operational emissions from oil and gas is progressing. In 2025, the Oil and Gas Climate Initiative (OGCI), with membership representing 25% of global oil and gas production (operated basis), reported that members' overall upstream methane intensity had reduced by 62% since 2017. The OGCI's 2025 Progress Report specifies several opportunities to reduce methane intensity including less flaring, less venting, and upgrading methane-emitting pneumatic controls to non-emitting alternatives (e.g. electric).[2]

Rotork's electric and electro-hydraulic actuators are a superior option for oil and gas operations. These products do not emit methane in operation and substantially reduce this risk of emissions from venting.

Division: Oil & Gas
Segment: Target
Sector: Upstream electrification
Region: EMEA

Rotork has supplied over 200 actuators to ONE-Dyas for the N05-A upstream gas processing platform, located in the Dutch North Sea. This next-generation platform is expected to reach 'near zero' operational emissions (Scope 1 and 2) and will be the North Sea's first fully electrified gas production platform.

Our actuators will support the electrification and automation of the platform.

Division: Oil & Gas
Segment: Target
Sector: Midstream electrification
Region: Americas

Our electric and electro-hydraulic actuators were selected for the emergency shutdown function within the expansion of a natural gas pipeline.

The original specification was adapted to increase the use of electro-hydraulic actuators in place of methane-emitting alternatives.

1 International Energy Agency: Global Methane Tracker 2025.
2 Oil and Gas Climate Initiative: Progress Report 2025.

Enabling a sustainable future continued

Managing water resources

Access to clean water is increasingly a global priority.

A recent UN report[1] notes that almost 75% of the global population is based in 'water-insecure' or 'critically water-insecure' countries, with 1.8 billion people 'living under drought conditions in 2022–2023'. In addition to supply concerns, water quality is also declining in many regions due to contamination from untreated wastewater.

Rotork products play an important role in water supply and treatment. Through projects like the Alkimos desalination plant in Australia, our actuation products enable the supply of additional, high-quality water. As evidenced in these case studies, our products continue to be selected for major wastewater facilities, including those with advanced filtration requirements.

Division: Water & Power
Segment: Target
Sector: Water
Region: Americas

In 2025, Rotork's actuators and services were selected for a major wastewater treatment plant. A replacement for competitor products, we will support the end user with improving both system reliability and the organisation of maintenance schedules.

Division: Water & Power
Segment: Target
Sector: Water
Region: Americas

One evolving area in the water sector is the emergence of new (and anticipated) regulations on 'forever chemicals', such as PFAS.

Rotork actuators were selected for a series of water filtration upgrades at water treatment plants in the United States. These upgrades were undertaken to meet regulatory limits on PFAS. The filtration of these chemicals from drinking water will improve water quality and benefit public health.

1 Global Water Bankruptcy (2026). UNU: Institute for Water, Environment and Health.

Enabling a sustainable future continued

Advancing sustainable fuels

Liquid and gaseous fuels continue to play an important role in transport and heavy industry. Reducing the impact of these sectors will likely require lower-emissions fuels where electrification is not currently practical or sufficient.

The use of green hydrogen can significantly reduce the emissions resulting from steel production, while hydrogen or waste-derived fuels can reduce the lifecycle emissions of the maritime and aviation sectors (4-6% of global emissions).

Our products have been selected for a range of advanced fuels projects, including the hydrogen value chain, sustainable fuels production facilities and across shipping and maritime infrastructure.

Division: Oil & Gas
Segment: Target
Sector: Decarbonisation
Region: EMEA

Rotork supplied a range of flow control products to a renewable fuel refinery in Europe. The facility will produce renewable diesel and aviation fuel from waste oils. The use of waste-derived fuels in place of traditional fuels can significantly reduce the lifecycle emissions of transport.

Division: CPI
Segment: Target
Sector: Decarbonisation
Region: EMEA

Producing green steel from hydrogen-based direct reduction eliminates the process-related CO_2 emissions of traditional steel from coal-based production. In 2025, Rotork supplied a European green steel plant with a range of IQ products for process valve control.

Making a **positive** social impact

Our mission

To support thriving, fair and resilient communities.

Our commitments

Diversity

- We will develop and deliver initiatives to drive greater gender and ethnic diversity.

Fair pay

- We will contribute to a fairer society more broadly, including ensuring 100% of employees are covered by our Fair Pay Framework.

SDGs we will progress

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

In this section

People and culture

Social contribution

Making a positive social impact continued

Our impact

We aim to support thriving, fair and resilient communities.

We strive to make a positive social impact on our people, supply chain and place where we work. We engage proactively and fairly with our stakeholders to understand and address their needs. We support charitable causes that align with our sustainability goals and employees' interests, extending our positive impact. By providing high-quality employment, we contribute significantly to economic stability.

We are committed to being a fair employer, ensuring equal opportunity and fostering an inclusive culture and workplace. Recognising that diversity enhances business success, we actively work to advance underrepresented groups and tackle social inequality through targeted outreach programmes. By nurturing talent from diverse backgrounds, we create a culture where everyone can thrive and contribute to our success.

This section outlines how we positively engage with and support our people and communities, positively impacting individuals and society.

Brand and reputation

Our brand is globally recognised and highly respected. It stands for innovative, quality, market-leading products and services.

Our sustained success relies on building and maintaining our strong reputation with new and existing customers and employees. To sustain market leadership and unlock future growth, we are focused on being an employer of choice that:

- attracts, retains and develops a diverse pipeline of talented people;
- offers fair and competitive rewards; and
- demonstrates our commitment to diversity and inclusion.

People and culture

At Rotork, we strive to be a great place to work. Engaged and committed employees are essential to successfully delivering our Growth+ strategy and achieving sustainable business growth.

Cultural journey: building a stronger Rotork

During 2025, we launched our evolved cultural DNA, which has been built on our strong cultural foundations and what makes Rotork unique, whilst aligning our culture more closely with our Growth+ strategic pillar, 'Invest in our People and Culture', enabling our culture to accelerate growth and scalability and be a driver of long-term success.

We defined our DNA through an extensive programme in 2024 to understand our culture, identify our strengths and uncover opportunities. Although our existing values served us well over the past six years, this initiative provided an opportunity to evolve our culture. We engaged over 800 employees across 27 countries and listened to their insights to understand our strengths and areas for growth. Their feedback was instrumental in defining our evolved cultural DNA, which will guide us forward.

These principles shape how we lead, grow and engage our people and customers, fostering behaviours and experiences that drive success. They are underpinned with six core behaviours:

- collaborating for results;
- communicating with impact and purpose;
- achieving our potential;
- taking accountability;
- delivering high performance; and
- innovating through customer focus.

In 2025, we introduced our evolved cultural DNA with our employees and leaders through a series of events and town halls, including our flagship People Manager Programme. We also launched a new performance management approach to roll out the comprehensive behaviours framework that underpins the DNA attributes. Our approach will ensure our culture remains a driver of long-term success in the years ahead. By embracing our evolved DNA as Rotork scales, we are building a more customer-focused, connected and winning business.

2025 achievements

- Launched our evolved DNA and behaviour framework across the organisation.
- Launched our flagship global People Manager Programme.
- Introduced the new Culture Champions Network.
- Awarded Bronze in the 2025 Britain's Most Admired Companies study.
- Evolved our approach to performance management to align with our DNA.
- Significantly increased employee engagement scores in our annual employee survey.
- Met early career diversity targets for our Graduate Scheme, and expanded the programme into EMEA.

People and culture continued

Talent management and succession planning

Our ability to attract, develop and retain exceptional talent is fundamental to delivering our Growth+ strategy and driving sustainable growth.

We completed a leadership talent and succession review in 2025, focusing on building strong leadership capabilities following the Business Manager Programme we ran in 2024. These robust plans were reviewed by our Board as part of our talent management process and the importance it places on succession planning. 28% of senior leaders were new in their role in 2025, with around a third resulting from internal promotions.

In 2025, we heavily invested in evolving our performance management approach to embed our new DNA and the comprehensive behaviour framework that underpins it. We conducted performance management training throughout the year, with a heavy focus around mid year when around 2,000 employees took part. We saw similar levels of participation at year-end, helping to ensure everyone understands the importance of the 'what' and 'how' of performance, and how their everyday behaviours shape this. We also focused on development plans based on individual behavioural levels, as well as introducing a feedback mechanism within the performance management process. This helps shape and continue to build a listening and learning culture.

35%
of employees have been with Rotork for over 10 years

50%
of employees joined in the last five years

2025 saw the fourth intake of our global Graduate Programmes as part of our continued commitment to developing early career talent. To ensure a high-quality experience, our graduates are paired with a mentor throughout and undertake a structured development programme with a strong focus on career progression. We have set a target that at least 50% of participants in our schemes are diverse (female or from ethnic minority or other groups currently underrepresented in our business) to increase the diversity of our talent pipeline. We exceeded this target in 2025 (83%). Our second wave of graduates progressed into permanent positions within the business. We also now have 20 apprentice service engineers enrolled onto our global Rotork Service Academy.

In 2025, we again donated unused funds from our UK apprenticeship levy to organisations in other industries that support young people in developing new skills and capabilities.

We believe the combination of Rotork experience and new talent from outside the business is integral to our success and enables us to continue to develop and grow. We are proud to have a good mix of long-serving and newer employees. 35% of our colleagues have been with Rotork for over 10 years, while 50% joined in the last five years.

Training and development

We are committed to fostering a strong learning culture, ensuring our people have the skills, behaviours and experience needed to deliver our strategy and achieve long-term success.

In 2025, we launched our global flagship People Manager Programme, which was deployed across three phases, one for each element of our DNA. Over 500 people managers took part in the blended learning programme, which developed management capabilities fully aligned with our DNA and behaviours. In Phase One we hosted 21 face-to-face events across the business supported by 16 virtual sessions. This approach was replicated across the other phases.

We also continued to evolve our eLearning content, expanding both functional programmes and core training requirements within our learning@rotork platform.

Read more on page 43

Employee engagement

Employee feedback is critical to ensure colleagues' views are considered when decisions are made at Board and management levels. These insights also mean we can respond to any concerns promptly and understand what matters most to our people.

During 2025, we again partnered with a third party to run our engagement survey. This enables us to continue to benchmark our engagement levels against industry standards and sharpen our focus on fostering meaningful engagement across Rotork. 86% of employees took part in the latest survey (2024: 80%). This year, we saw a significant increase in the global engagement score, outperforming similar organisations participating in their second year using the external engagement partner. One of the questions we measured was related to the extent to which our leaders role model our DNA. This question achieved a strong 4.08 out of 5. This demonstrates that our senior managers are leading by example and supporting our evolution by role modelling our culture and behaviours.

As in previous years, for 2025 a portion of our leadership's bonus opportunity is linked to maintaining high levels of employee engagement.

In 2025, we introduced a network of Culture Champions, which has helped us embed our cultural DNA at a local level. Employees could volunteer to apply to become a Culture Champion, and applications were significantly oversubscribed. We applied selection criteria, which resulted in the appointment of 80 Culture Champions, with at least one in every location.

Reinforcing our commitment to listening, our CEO, Kiet Huynh, hosted skip-level meetings and town halls during site visits, in addition to twice yearly global all-employee town halls. Members of the Rotork Management Board also hold skip-level meetings during their visits and joined the all-employee town halls. These touchpoints create frequent, meaningful opportunities for colleagues to share their perspectives, ensuring employees' voices are heard through a broad range of channels.

Wellbeing and mental health

We have a strong focus on our employees' wellbeing and mental health. We continue to maintain a high number of Mental Health First Aiders (MHFAs) trained worldwide, with around 80 in place across the Group. We have a range of learning modules to support line managers on mental health awareness and other supporting content for them and employees. Content around wellbeing is also available on our learning@rotork platform. We provide a Global Employee Assistance Programme, which includes mental health support and counselling 24/7 in employees' local languages.

People and culture continued

Fair pay and benefits

In 2020, we launched our Fair Pay Framework. It includes five focus areas to guide our reward policies, procedures, systems and decision making and support fair and competitive remuneration. This ensures that all colleagues are appropriately and fairly rewarded for their contributions.

Our original framework included a commitment to pay a real living wage (rather than the minimum wage) where this exists in a country. In 2021, we increased our commitment and now ensure we pay more than the living wage. Rotork is accredited as a Living Wage Employer by the Living Wage Foundation.

We are proud to have well-above-average employee share ownership. Colleagues in many of our locations receive a free share award, giving them an additional personal and financial stake in our success.

All permanent employees take part in the Rotork bonus scheme, regardless of their role or level, after three months of service. We link performance to reward, ensuring we recognise those who make the most significant contribution in line with our DNA. We benchmark our reward and benefits externally in every country in which we operate. We also provide pension arrangements based on local laws and practices.

Read more on pages 121 and 122

Collective bargaining

We uphold colleagues' freedom of association and recognise their right to collective bargaining. Such arrangements exist in several of our sites and countries of operation. Around 6% of our employees globally are covered by union agreements. We are committed to open and constructive engagement with them and their representatives.

Diversity and inclusion

We remain committed to fostering an inclusive culture and diversity of thought. We recognise the strategic advantage of valuing diverse perspectives and contributions. Our Head of Talent and Culture leads our focus in this area.

As at 31 December 2025, 62.5% of our Board are diverse (by gender and/or ethnicity).

Our Board Diversity and Inclusion Policy is available to view at www.rotork.com/en/investors/diversity-and-inclusion

In June, we marked International Women in Engineering Day by sharing inspiring stories of colleagues around the world who embody the spirit of Together, We Engineer. Through a series of internal interviews with both male and female engineers from different countries, levels and backgrounds, we explored what engineering means to them and how working together drives progress. We again celebrated Pride Week, encouraging colleagues to show their support by adopting a rainbow version of the Rotork logo in their email signatures and using a rainbow background during Teams calls.

Our Graduate Scheme was relaunched in 2022, with a target to ensure we reflect the diversity of the communities in which we operate. To ensure a more diverse talent pipeline, we have set a target that at least 50% of participants in our schemes are female, from ethnic minorities, or from other groups currently underrepresented in our business. We exceeded this in 2025 (83%).

Our Respect at Work and Equality of Opportunity Policy reflects our responsible employer approach. This aims to promote fair and objective treatment across recruitment and employment, regardless of any protected characteristic.

Gender diversity

We are committed to increasing the number of women in our organisation at all levels. At 31 December 2025, females comprised 25.0% of our workforce (2024: 25.0%), our Board comprised 50% females (2024: 44.4%), and the Rotork Management Board (our Executive Committee) and its direct reports combined comprised 28% females (2024: 25%).

We are a long-standing member of the 30% Club, which aims to achieve at least 30% representation of women on all boards and C-suites globally. We are also a partner of the Women in Engineering Society (WES), which aims to inspire women to achieve as engineers, scientists and leaders.

We are proud to exceed the target in the Hampton-Alexander Review of 33% female representation on our Board. Rotork's female Board representation also continues to exceed the target set under the UK Listing Rules and DTRs of 40% female representation on boards by 2024. We also meet the requirement that at least one of the Chair, Senior Independent Director (SID), CEO or CFO is female as Dorothy Thompson, our Board Chair, is female. Any new appointment to the Board is made with consideration to our Board Diversity and Inclusion Policy. The Board is committed to ensuring its membership has diversity in its broadest sense, and we work with search firms that are signed up to the Voluntary Code of Conduct for Executive Search Firms.

Ethnic diversity

We exceeded the Parker Review target of having at least one member from an ethnic minority background on all FTSE 250 boards by 2024.

We remain committed to increasing the ethnic diversity of our Rotork Management Board (our Executive Committee) and its direct report levels. This is important in providing senior-level role models from diverse backgrounds. However, we cannot yet obtain full, accurate global ethnicity data for our senior population from all jurisdictions in which we operate, which prevents us from setting a senior diversity target at this level for now.

We strive to ensure that diversity is considered in our talent management process. We actively review performance, talent and remuneration decisions to ensure fairness. We have set a target of having at least 50% of our Early Careers Programme participants come from diverse and underrepresented groups in our business.

Since 2019, we have published our UK Ethnicity Pay Report alongside our UK Gender Pay Report. Our mean ethnicity pay gap is 5.1% (2024: 2.4%), and our median ethnicity pay gap is -2.4% (2024: -5.4%). The full details can be found in our Gender Pay Report for 2025, published in April 2026 and available on our website.

More information about the gender and ethnic diversity of Rotork's Board and the Rotork Management Board is set out on pages 53 and 85

People and culture continued

Gender Pay Report

Gender pay reporting compares the hourly pay of men and women on a specific date, irrespective of their role or level in the organisation. A negative percentage figure indicates an outcome in favour of women. In line with best practice and to ensure meaningful insight, non-executive directors have been excluded from our gender pay reporting for 2025. The figures for previous reporting periods have been revised for comparison.

Our 2025 Gender Pay Report shows that our mean gender pay gap across all Rotork employees in the UK is -4.7% (2024: 6.5%), and our median gender pay gap across all Rotork employees in the UK is -1.9% (2024: 6.5%). This compares to the UK's national gender pay gap figure of 12.8% and reflects our continued work in this area.

The mean (average) gender pay gap calculates the difference between men's and women's average hourly pay using employees' hourly pay. Mean averages give a useful overall indication of differences in pay; however, a small number of highly paid individuals can significantly impact the figure.

The median pay gap is calculated by comparing the pay of people in the middle of the hourly pay lists for men and women.

Rotork's median pay gap in the UK continues to be below the national average.

Gender pay reporting

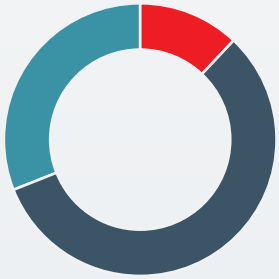
All Rotork employees in the UK:

At 5 April	2025	2024	2023
Mean gender pay gap across all Rotork employees in the UK	**(4.7)%**	6.5%	7.3%
Median gender pay gap across all Rotork employees in the UK	**(1.9)%**	6.5%	8.3%
UK's national gender pay gap	**12.8%**	13.1%	14.2%

Employees

Age profile

(As at 31 December 2025)



- Under 30 12%
- 30 to 49 57%
- 50 and over 31%

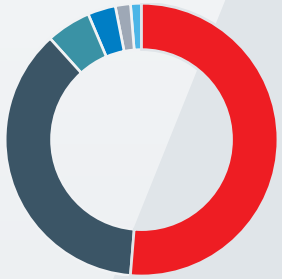
Gender profile

(As at 31 December 2025)

- Male 75%
- Female 25%

Ethnic origin

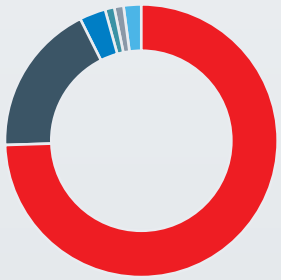
(As at 31 December 2025, based on those who chose to declare their information)



- White 51.3%
- Asian 37.0%
- Hispanic 5.3%
- Black 3.3%
- Other 1.8%
- Mixed 1.3%

Senior leaders' ethnicity

(As at 31 December 2025, includes RMB members and their direct reports, where declared)



- White 74.5%
- Asian 18.1%
- Hispanic 3.1%
- Black 1.1%
- Other 1.1%
- Mixed 2.1%

Early careers diversity*

(Graduate, Internship and Apprentice Programmes, diversity figures as at 31 December 2025)

- Non-diverse 42%
- Diverse 58%

* 'Diverse' hires are defined as employees from gender and/or ethnic groups that contribute to a more balanced and inclusive workforce.

Our social contribution

We strive to contribute positively to the communities in which we operate worldwide. This is integral to our commitment to being a good corporate citizen. Our ethos is grounded in our DNA and behaviours and is part of what makes Rotork a great place to work.

We target an annual contribution of 0.1% of prior year's profits to our nominated charity partners and a similar percentage to local charitable causes. Local teams are empowered to decide how to distribute funds and support their local communities.

Charity partner selection process

We partner with international charities that align closely with our purpose, our values and the UN SDGs. We select charity partners using four key parameters:

1. Accountability requirements
How will donations be used, how readily are accounts available, and what proportion reaches recipients?

2. Do key causes align, and what's the global reach?
Do they align with our business and support our purpose of 'keeping the world flowing for future generations'?

3. Do they empower for the long term?
Are they involved in supporting communities in the long term?

4. How are they funded?
Are they an established and registered charity, non-political and non-religious?

Our global charity partners

At the end of 2025, we donated £175,000 to our global charity partners, Pump Aid and Renewable World, and to Rotork Benevolent Support, increasing the donations from 2024.

Pump Aid

We are proud to continue supporting Pump Aid's mission to end water poverty in Malawi. Our ongoing partnership enables Pump Aid's social enterprise, Beyond Water, to expand its reach. Beyond Water now provides over 700 rural communities and more than 290,000 people with reliable, safe water.

Through our financial support and collaboration, Pump Aid will strengthen local capacity by managing and incentivising mechanics to earn a meaningful income, creating opportunities for women in technical roles, and improving the way community water pumps are managed. This approach reduces pressure on volunteers and provides affordable services. In 2025, our support helped Pump Aid maintain a 99% waterpoint functionality rate, far exceeding the national average of around 60%, and thereby improving health and education outcomes for thousands of children.

Our contribution also helps Pump Aid innovate, from developing structured training for mechanics to enhancing spare parts, logistics, and data-driven maintenance. Together, we are building a sustainable, community-led approach to water access, empowering Malawians to create lasting change.

We look forward to deepening our partnership and supporting Pump Aid's ambitious plans for 2026 and beyond, helping to ensure every community in Malawi has access to a safe and reliable water supply.

Renewable World

Access to reliable healthcare often depends on the availability of electricity. In Kenya's Kajiado County, many remote health facilities operate without power, limiting life-saving services. In 2025, through Renewable World's Clean Energy for Health (E4H3) project, Rotork helped change that.

Our support helped equip two off-grid health facilities with solar power systems, enabling round-the-clock care for more than 10,000 people. As a result, expectant mothers can access emergency services at any time, vaccines and medicines are safely stored in solar-powered refrigeration, and critical tests are available without delay.

2026 represents the second year of the E4H3 project, which will bring clean energy to up to four additional health facilities, improving healthcare access for 15,000 more people. Over the three-year project, this initiative will deliver sustainable, life-saving health services to more than 35,000 residents in one of Kenya's most underserved regions.

With our support, Renewable World is creating lasting solutions that close the gap in essential healthcare access, ensuring even the most remote communities receive the care they deserve.

Rotork Benevolent Support

Rotork Benevolent Support was established in 2020 during the COVID-19 pandemic. It was created to provide financial assistance to current and former employees and their families, initially focusing on those most affected by the crisis. Over time, its mission has expanded to support individuals facing financial hardship due to unexpected events.

Looking ahead to 2026, it will continue to provide grants to those in need, ensuring that our people and their families have a safety net when life takes an unexpected turn. Our donation during 2025 strengthens that mission and reinforces our belief that looking after our colleagues is an important element of serving the communities around us.

rotork benevolent support

ESG and sustainability governance, integration and measurement

We use several approaches to integrate ESG objectives into how we do business. This includes tying the successful delivery of social and environmental objectives to management's remuneration. It also includes standardising our approach by formalising sustainability considerations and expectations within key management and decision-making processes. We employ a range of published codes and policies which guide our approach. We also commit to measuring our performance and reporting transparently on our progress.

ESG governance

Board oversight

To ensure the appropriate level of governance in this key area, at the beginning of 2024 the Safety and Sustainability Committee was reconstituted under its refreshed remit. The meetings were structured to allow the Committee to undertake a deep dive into an important safety or sustainability focus area at each meeting.

The Board receives an update on our ESG, safety and sustainability agenda from our Chief Executive Officer at each meeting.

The Chairs of our Safety and Sustainability Committee and Nomination Committee also provide an update on the activities of the Committees following their meetings. The Board reviewed and approved this Annual Report prior to publication.

Roles of the Safety and Sustainability Committee and the Nomination Committee

ESG topics are overseen by the Safety and Sustainability Committee and the Nomination Committee. The Safety and Sustainability Committee oversees the Group's safety and sustainability strategy, performance and disclosures.

The Company's Diversity and Inclusion Policy, strategy and implementation of initiatives are overseen by the Nomination Committee.

The Safety and Sustainability Committee and Nomination Committee terms of reference were both updated in October 2025 and are published on our website at the following address:

Read more online at www.rotork.com/en/investors/committees

Safety and Sustainability Committee membership comprises four independent non-executive directors being: Andrew Heath (Committee Chair), Karin Meurk-Harvey, Vanessa Simms and Janice Stipp. Our Chief Executive Officer has a standing invitation to attend meetings, and other senior managers including the Group Chief Human Resources & Sustainability Officer, the Head of ESG and Sustainability, and the Global Head of HSE may also attend meetings by invitation. Nomination Committee membership is comprised of non-executive directors Dorothy Thompson (Committee Chair), Andrew Heath and Janice Stipp.

Management responsibility

Members of the Rotork Management Board (RMB) and their direct reports take responsibility for elements of our ESG agenda:

- Our Chief Executive Officer has ultimate responsibility for the delivery of our ESG agenda;
- Our Group Chief Human Resources & Sustainability Officer is the executive sponsor of Rotork's sustainability strategy and programme;
- Our Chief Financial Officer is responsible for financial and non-financial reporting, including compliance with disclosure requirements;
- Our Operations Excellence Director is responsible for the operational elements of our sustainability programme, including health and safety, environmental management and the integration of ESG within procurement;
- Our Chief Information Officer is responsible for information and cybersecurity;
- The Managing Directors of the Oil & Gas, Water & Power and Chemical, Process & Industrial divisions are responsible for ensuring our sustainability objectives are embedded within their respective divisional strategies.

Management Board members also have specific responsibilities for climate-related matters, including to support the delivery of our science-based emissions reduction targets.

See our TCFD Report on pages 68 to 75 for further details

Group-wide policies

We have an extensive suite of Group-wide ESG policies, which govern our approach.

The key policies are published on our website, at www.rotork.com/en/environmental-social-governance/esg-reports-and-policies

Our policies set out our commitments to responsible and sustainable business practices. They apply Group-wide.

We provide training to ensure employees understand and implement our policies. We also monitor compliance with our policies.

See page 43 for more information about ethics and compliance training

ESG integration

Key performance indicators

We measure the Group's performance against five financial performance indicators and two non-financial performance indicators: Scope 1 and 2 (market-based) emissions reduction and total recordable incident rate (see page 20 of this report).

Link to remuneration

Our performance against these non-financial KPIs has been linked to executive directors' and senior leaders' remuneration.

Annual bonus – ESG measures

- Total recordable incident rate.
- Environmental innovation (measured through evidence of greater positive environmental impact through our products and increased customer engagement on sustainability issues).
- Culture and engagement scores.

In 2025 non-financial performance represented a 10% share of the bonus opportunity for executive directors. In order to drive increased focus, incentives for the entire senior leadership population (circa 100 people) are also formally linked to these measures.

Depending on their role, some individuals also have additional sustainability targets included in their strategic personal objectives for the year (15% of the bonus opportunity).

Long Term Incentive Plan – ESG measure

The 2026 LTIP core award includes a performance condition of an absolute reduction in Scope 1 and 2 CO_2 emissions (market-based) from the 2020 baseline year. The threshold target (25% vesting) is a 50% reduction, increasing on a straight-line basis to full vesting for a 53% reduction (see page 124).

ESG and sustainability governance, integration and measurement continued

Integration into strategy and business processes

We are continuing to drive deeper integration of ESG into our strategy and core business processes.

Corporate strategy

We have integrated ESG and sustainability-related market dynamics into our Growth+ strategy. This includes embedding requirements to enable us to meet our science-based emissions reduction targets.

New product development

We are also creating product development roadmaps to reduce emissions associated with use of our sold products, to meet our emissions reduction target and customer demand for lower-energy use/emissions products. We have also included sustainability considerations at each of the important checkpoints in the Rotork Development and Launch Process for new products.

See page 35 for more details on our emissions reduction targets

Governance

We formalise the integration of environmental, social and ethical considerations into our key governance documents. These are available at www.rotork.com/en/environmental-social-governance/esg-reports-and-policies.

Our communications and ratings

We are committed to measuring our ESG performance and reporting transparently on progress. We report on the delivery of our sustainability programme through the Annual Report and our website, and we actively engage with key ESG indices (latest ratings on page 28).

Basis of preparation

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. While the implementation timelines of forthcoming sustainability reporting regulations may change, our future Annual Reports will seek to align with these frameworks.

We will publish our GRI index on our website in the first half of 2026.

Further information

Sustainability Accounting Standards Board (SASB)

We have provided disclosures against the SASB framework to support our communication of financially material sustainability information.

For more information, see our SASB table on page 57

ESG commitments

We have been a signatory to the United Nations Global Compact since 2003. We work to meet its principles. This report contributes toward our United Nations Global Compact Communication on Progress requirements. We are a member of the 30% Club, which aims to achieve at least 30% representation of women on all boards and C-suites globally. As at 31 December 2025, Rotork's Board had 50% female representation.

Get in touch

We welcome any feedback on this report and our sustainability agenda. Get in touch via: esg@rotork.com.

Sustainability Accounting Standards Board (SASB) Index

Table 1. Sustainability disclosure topics and accounting metrics

Topic	Metric – quantitative	Unit	2025	2024	2023
Energy management	Electricity	GJ	**47,159**	44,349	41,849
	Natural gas	GJ	**39,260**	36,344	32,902
	Diesel and petrol	GJ	**20,479**	16,856	16,475
	LPG	GJ	**385**	2,677	3,736
	Steam	GJ	**1,262**	1,363	1,515
	Total energy consumed	GJ	**108,545**	101,589	96,477
	Proportion of total energy consumed from renewables	% renewable % non-renewable	**32%** **68%**	24% 76%	19% 81%
	Proportion of electricity from on-site generation	% from grid % on-site generation	**85%** **15%**	93% 7%	98% 2%
	Proportion of electricity from renewable sources	% renewable % non-renewable	**74%** **26%**	56% 44%	44% 56%
Workforce health and safety	Total recordable incident rate (TRIR)	Rate	**0.24**	0.22	0.26
	Fatality rate	Rate	**—**	—	—
	Near miss frequency rate (NMFR)	Rate	**2.43**	3.78	3.97

Topic	Discussion and analysis				
Materials sourcing	Description of the management of risks associated with the use of critical materials	n/a	**Annual Report 2025, p. 41–44**	Annual Report 2024, p. 47–51	Annual Report 2023, p. 47–50

Table 2. Activity metrics

Activity metric	Unit	2025	2024	2023
Number of units produced by product category	Quantitative	Commercially sensitive, not disclosed		
Number of employees	Quantitative, as at year end	**3,585**	3,493	3,342

Table 3. Sustainability disclosure topics and accounting metrics that are non-applicable to Rotork

Topic	Metric – quantitative
Fuel economy and emissions in use phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles
	Sales-weighted fuel efficiency for non-road equipment
	Sales-weighted fuel efficiency for stationary generators
	Sales-weighted emissions of 1) nitrogen oxides (NOx), and 2) particulate matter (PM) for: (a) marine diesel engines; (b) locomotive diesel engines; (c) on-road medium- and heavy-duty engines; and (d) other non-road diesel engines
Remanufacturing design and services	Revenue from remanufactured products and remanufacturing services

How we manage risk

Managing business risk is essential for us to fulfil our purpose of 'keeping the world flowing for future generations'. Our approach to risk intends to protect the interests of all our stakeholders.

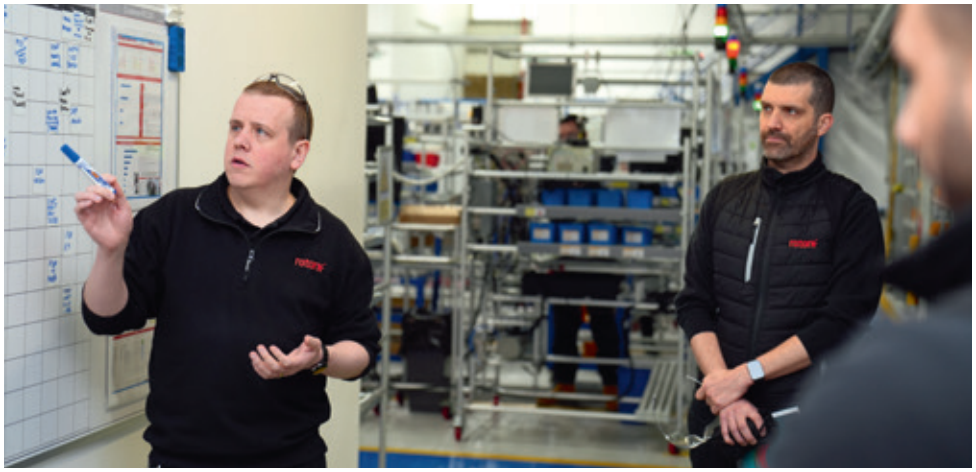
Managing business risks

The Board is responsible for determining the nature and extent of the risks we are willing to take in achieving our strategic objectives. Our Group risk appetite statement sets the tone from the top and supports decision making to mitigate, control or accept risks.

Our Group risk management process reviews those risks that could have an immediate or longer-term impact. The Board considers risk throughout the year, including a consideration of reports from management and the review of our key risk indicator dashboards. Additionally, the Board performs a formal risk review process twice a year.

The Board is assisted in the oversight of risk management by the Safety and Sustainability Committee, the Audit Committee, and the Rotork Management Board. Principal risks are reviewed and managed using our risk management process and risk appetite framework, which incorporates both a bottom-up and top-down assessment. The risks identified in the bottom-up reviews are consolidated before a top-down evaluation is performed by management and thereafter reviewed by the Board. The risks identified are then evaluated against the existing set of principal risks and uncertainties, and management will then review whether any updates to them are required.

Our risk management process is an established way of identifying and managing risk and forms an important part of our governance framework as set out in our Corporate Governance Report; see page 86.



Risk appetite framework

The Board sets our risk appetite preference, deciding whether we are tolerant, neutral or averse to a particular risk. These preferences guide our approach to managing risk. The risk appetite statements provide guiding principles to support decision making at a Board level and throughout the Group. During 2025, the Board reviewed the risk appetite framework to assess the impact of changes in both the internal and external environment. The Board also reviewed how risk appetite statements were applied by monitoring the key risk indicators (KRIs). The KRIs were reviewed throughout 2025, ensuring they remained relevant to the risks they track. KRIs are reported and reviewed by the Board twice a year.

Risk appetite statement

Our purpose, 'keeping the world flowing for future generations', is embedded in the way that we assess risk. We are committed to generating stakeholder value through innovation and sustainable growth and will only take considered risks that align with our strategic objectives and established risk appetite. The Board is responsible for determining the nature and extent of the risks it is willing to take in the achievement of our strategic objectives. The risk appetite framework provides qualitative and quantitative insight on risks and supports proactive mitigation planning.

1. Review and update the risk appetite preferences
2. Identify key decisions
3. Evaluate decisions against risk appetite
4. Review key risk indicators

Risk management process

Top-down risk assessment
Ongoing risk mitigation reviews and controls testing

Rotork Board

- Provides oversight of risk management and internal controls
- Defines risk appetite, statements and preferences
- Promotes a risk-aware culture that emphasises integrity at all levels of business operations
- Determines our principal risks and considers emerging risks and opportunities, ensuring that risk management is embedded within our core processes

Audit Committee

- Reviews the effectiveness of internal controls
- Reviews the risk management policy
- Approves the internal audit assurance plans
- Oversight of preparations for Provision 29 of the 2024 UK Corporate Governance Code

Safety and Sustainability Committee

- Promotes appropriate risk management of safety and sustainability matters
- Oversight of safety and sustainability matters to guide our decision making and promote our long-term success in line with our risk appetite

Rotork Management Board (RMB)

- Identifies, consolidates, reports and manages principal and key risks
- Reports to the Board on the management of our principal and key risks

Bottom-up risk assessment
Divisions and functions identify, manage and monitor risks

Group Internal Audit

- Provides independent assurance over the risk management framework through audits and other assurance work performed during the year, which is reported to the Audit Committee

Group Risk and Compliance

- Supports the Group to identify risks and put in place appropriate mitigations
- Promotes a risk-aware culture and adherence to risk appetite
- Reports on the status of principal risks and emerging risks and opportunities periodically, including key risk indicator dashboards

Functional management

- Identifies current and emerging risks and opportunities specific to the relevant function or business unit
- Implements risk management within their designated area of accountability

Principal risks and uncertainties

Our risk management processes are dynamic. We continue to assess and prioritise risks related to our strategic objectives and their impact on the principal risks.

Our assessment of the principal risks and uncertainties includes those that could threaten our business model, future performance, solvency, liquidity or reputation. Leaders within the business have continued to embed a risk-aware culture through training and workshops and a focus on mitigating actions.

Emerging risks and opportunities

Emerging risks and opportunities are developing or known issues characterised by uncertainty and ambiguity, making them difficult to assess using traditional risk methods. They are often complex, changeable, and may be outside management's control.

They are identified throughout the year, including through functional risk workshops and twice-yearly discussions with the Rotork Management Board and the Board. Responses are tailored to each specific scenario, and monitoring is based on the information available at the time. The ability to recognise developments that could affect our business or stakeholders is central to effective risk management and supports the delivery of our strategic objectives. We will continue to identify emerging risks and opportunities during 2026 as we monitor changes in both our internal and external environment.

Emerging risks and opportunities

Risks	
Product security	As digitalisation accelerates across our products and customer solutions including Intelligent Asset Management (iAM) systems, the nature of information and security threats continue to evolve. We maintain a strong focus on product and service security and combine internal expertise with external specialists to develop secure technologies.
Product regulation	Uncertainty in fast-evolving product regulations for both connected and standard products may introduce future risks. Strong development and testing protocols, supported by ongoing global monitoring of emerging requirements, remain essential. As a long-established innovator, we are well placed to deliver secure and compliant products in a changing regulatory environment.
Technological obsolescence	Rapid innovation in flow control and automation technologies could render existing products less competitive. We mitigate this through sustained investment in R&D and continued engagement with our customers to understand their future requirements.
Opportunities	
Automation and electrification	A high proportion of our sales are linked to industrial automation, with more than 50% of sales from electric-powered actuators. These trends are expected to accelerate as industries seek to improve efficiency, safety, and emissions performance.
Digitalisation and predictive maintenance	The deployment of intelligent systems like iAM enables condition monitoring and remote diagnostics, creating new service revenue streams and enhancing Customer Value.
Energy transition and hydrogen economy	We are well positioned to support the transition to low- and zero-carbon fuels, including LNG, green/blue hydrogen, and carbon capture.

Horizon scanning

Horizon scanning is a method for identifying risks and opportunities over the medium- to long-term. Horizon scanning supports the Group in looking past short-term priorities, evaluating our strategy against possible future developments, and using these insights to guide our business planning. We use horizon scanning to support our identification of emerging risks and opportunities.

Climate change

We have embedded the identification of climate-related risks and opportunities into our risk management framework. These risks and opportunities remained a specific agenda item in every functional risk workshop undertaken throughout the business in 2025. The output of this work is described in more detail in the TCFD section of this report on pages 68 to 75, 70 to 74 for climate risks.

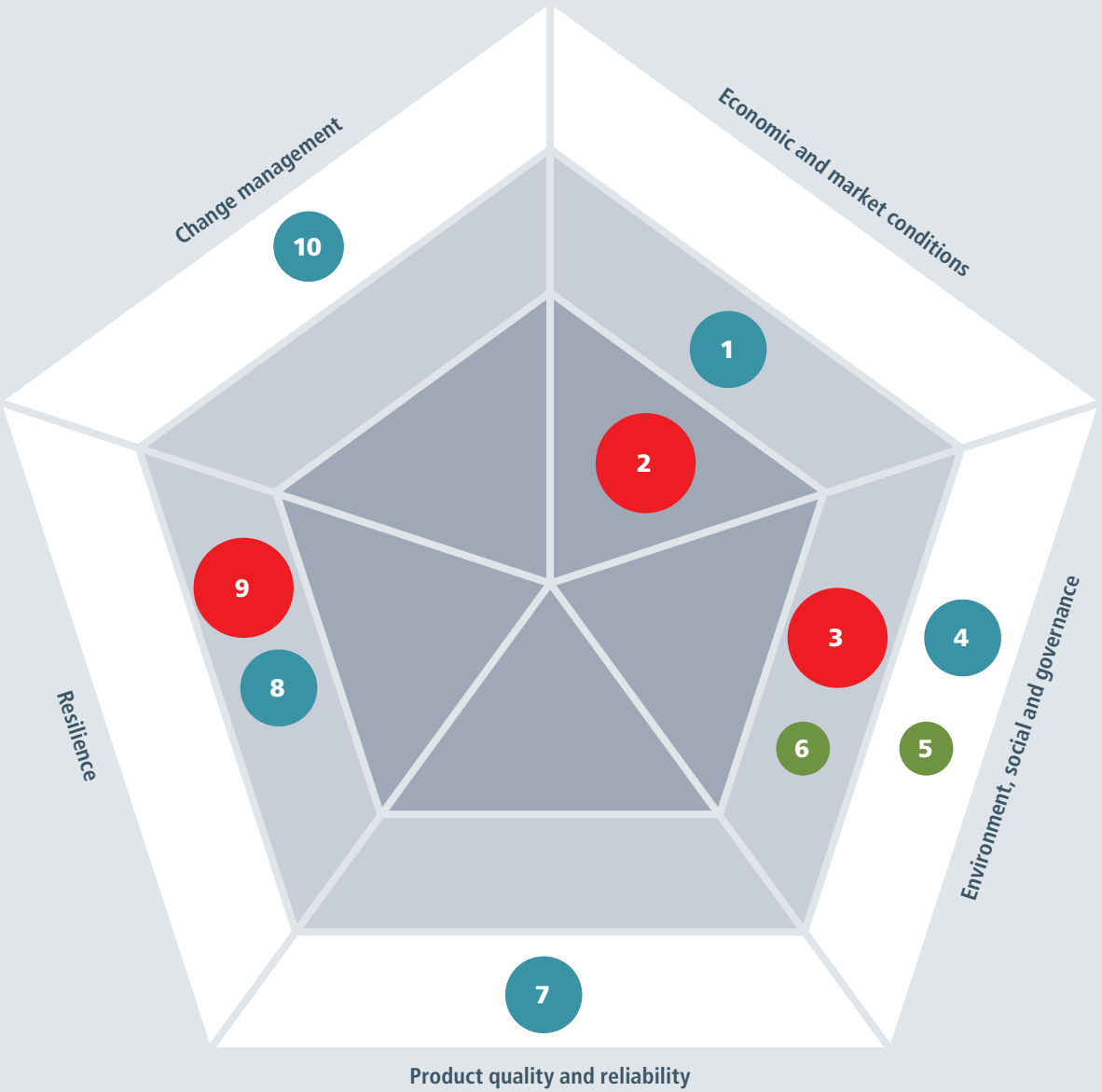
Update on 2025 principal risks

The risk environment remained complex during 2025, with many risks interconnected. The Board reviewed these interdependencies to deepen its understanding of how one risk may influence another. The risks identified for 2025 remain consistent with the prior year. Cyber risk remains at an elevated level. Management actions are helping to mitigate this and it continues to require sustained attention and focus. Geopolitical conditions are still unpredictable, adding uncertainty to how quickly changes could affect our business. We continue to monitor supply chain disruption strategies to maintain a resilient business. More information on risk mitigations is detailed on pages 62 to 66. More details on the Board's oversight of audit, risk and internal controls are set out in the Corporate Governance Report on pages 96 to 97.

Focus for 2026

During 2025 we continued our plans to comply with the new Provision 29 of the 2024 UK Corporate Governance Code, which became effective for Rotork from 1 January 2026. We have identified our material risks and controls and initial testing was conducted across the material controls identified. The Audit Committee is leading the process and is fully engaged with the detailed plans. The changes to the Code are providing the opportunity to have a fresh look at our key risks and mitigations. The Board receives regular progress reports from the Audit Committee and provides direction as required.

Principal risks and uncertainties continued



Net impact

Low Medium High

Net likelihood

Low Medium High

Principal risks

Economic and market conditions
1. Increased competition
2. Geopolitical uncertainty

Environment, social and governance
3. Health and safety
4. Compliance with laws and regulations
5. Climate commitments
6. People

Product quality and reliability
7. Major in-field product failure

Resilience
8. Supply chain disruption
9. Cybersecurity and IT interruption

Change management
10. Business change management

Principal risks and uncertainties continued

Economic and market conditions

1. Increased competition

Risk owner: End Market Managing Directors

Link to viability
1. Revenue decline
2. One-off costs and no revenue growth

Trend

Description

Increased competition on price, product or technological offering leading to a loss of sales globally or market share.

Update

This risk has remained consistent with the prior year. It covers a wide range of products and services, and the factors that could influence our position in the market. As a business with a strong global presence and market position, we believe this risk is being managed effectively, notwithstanding the current macroeconomic environment.

Risk appetite

We are unwilling to accept risks that could significantly impact our market share or pricing power and will take proactive measures to mitigate them through strategic actions and innovation. We aim to minimise exposure to competitive pressures that could harm our market position, profitability or reputation.

Example management actions

- Investing in R&D and organic product development, as well as acquiring businesses with complementary technologies, to maintain differentiation through product features, quality, and the services we provide.
- Ongoing product development and innovation to access new markets and create new applications within existing markets.
- Diversifying across geographies and end markets to strengthen resilience against downturns in individual regions, recognising that wider industry shifts may not be fully mitigated. We maintain production or sales and service operations in multiple low-cost countries.
- Our order mix provides resilience during periods of economic uncertainty, as small to mid-sized orders are typically less affected. Approximately 75% of orders by value are below £100k.
- Increasing our focus on service offerings to meet rising demand for product maintenance and support.
- Our Supply Chain team works closely with vendors to secure lower prices and drive operational efficiencies.

2. Geopolitical instability

Risk owner: Chief Financial Officer

Link to viability
1. Revenue decline
2. One-off costs and no revenue growth
3. One-off costs and revenue decline

Trend

Description

Increasing social and political instability results in disruption and increased protectionism in key geographic markets. Business disruption could impact our sales and ultimately lead to loss of assets located in the affected region.

Update

This year has brought continued shifts in the geopolitical landscape. While these changes could influence elements of our supply chain or customer activity, we closely track developments and update our resilience plans. Our diverse portfolio of operations and customers provides a natural buffer, reinforced by our strategic plans and contingencies.

Risk appetite

We are willing to tolerate a moderate level of exposure to geopolitical instability, provided it does not significantly disrupt our core business or long-term objectives. We will remain flexible in adapting to changes in the geopolitical landscape, taking proactive measures to mitigate any risks that could undermine our growth or operational efficiency.

Example management actions

- Regular reviews of global markets, including social and political risks, with contingency and market-exit plans developed and implemented when required.
- We monitor a key risk indicator tracking the proportion of revenue from high-risk markets and report it to the Board.
- The breadth of our operations and customer base reduces the impact that any single market can have on overall Group performance.
- Cash limits for overseas businesses are set to manage exposure to individual markets in line with our risk appetite.

Trend key: Increasing Unchanged Decreasing

Principal risks and uncertainties continued

Environmental, social and governance

3. Health and safety

Risk owner: Operations Excellence Director

Link to viability
2. One-off costs and no revenue growth

Trend
Unchanged

Description

The nature of our operations and the global environments in which we work mean that our employees and other stakeholders may face health and safety risks. Maintaining robust safety standards and a consistent safety culture remains essential to protecting our people and supporting the long-term resilience of the business.

Update

This risk remains consistent with the prior year as we have continued to work towards our vision of creating a resilient and high-performing health and safety culture. The health, safety and wellbeing of our employees and customers remain of paramount importance.

Risk appetite

We are fully committed to preventing any incidents that could harm the wellbeing of our employees, contractors, customers or other stakeholders. Any situation that poses a significant threat to health and safety is unacceptable, and we will take immediate corrective actions to eliminate or mitigate such risks. We prioritise maintaining a safe and compliant environment in all aspects of our operations.

Example management actions

- Compliance with relevant legislation and codes of best practice.
- A robust Health and Safety Policy and training included in all employee inductions, alongside regular refresher training.
- Human and organisational performance training to embed a learning-led culture.
- Expansion of our Global HSE Standards to ensure a consistent approach across the Group.
- Regular health and safety audits, site checks and reporting.
- Appropriate training is provided to address known safety risks.
- Health and safety performance monitoring through industry-standard leading and lagging indicators.
- Risk-based continuous improvement plans in place across the Group.
- Engagement of a third party to provide international support and travel advice in all markets and geographies.
- Proactive culture of 'safety spots' to help reduce safety issues.

4. Compliance with laws and regulations

Risk owner: Group General Counsel & Company Secretary

Link to viability
2. One-off costs and no revenue growth

Trend
Unchanged

Description

Failure of our people or third parties who we do business with to comply with laws or regulations or to uphold our high ethical standards and values.

Update

This risk remains consistent with the prior year. The Legal and Ethical Compliance team implemented a range of risk mitigations and training that reduce the likelihood of the risk across the Group as well as maintaining the range of compliance activities that protect the business.

Risk appetite

We do not tolerate non-compliance with laws and regulations. We are committed to adhering to all legal requirements in every jurisdiction in which we operate. Any breach of legal or regulatory obligations is deemed unacceptable, and we will take immediate corrective actions to prevent or rectify non-compliance to protect our reputation, integrity and legal standing.

Example management actions

- We are committed to reducing our environmental impact and to complying with all legal and regulatory requirements.
- A 'no tolerance' culture, supported by a tone from the top, reinforcing our high ethical standards and values.
- A training programme providing appropriate learning and awareness on a range of compliance topics to relevant employees.
- Due diligence procedures in place for channel partners, acquisition targets and suppliers before engaging in business relationships. Our Channel Partner Code of Conduct and our Supplier Code of Conduct were updated in 2025.
- Availability and promotion of the Speak Up Policy and hotline; no retaliation policy and all concerns raised investigated.
- Monitoring of changes in legislation, including sanctions, with appropriate safeguards put in place.
- Mandatory annual confirmation statement confirming employees' compliance with the Code of Conduct, associated policies, training and Conflicts of Interest Policy.
- Ongoing assessment of the modern slavery risks arising in our business against specific KPIs.
- Template contract terms include requirements on third parties to comply with applicable laws.

Trend key: Increasing | Unchanged | Decreasing

Principal risks and uncertainties continued

Environmental, social and governance continued

5. Climate commitments

Risk owner: Group Chief Human Resources & Sustainability Officer

Link to viability
1. Revenue decline
2. One-off costs and no revenue growth
3. One-off costs and revenue decline

Trend

Description
We do not deliver against our commitment to enable a sustainable future, and we are not recognised by our stakeholders as being part of the solution, leading to reputational damage.

Update
This risk remains consistent with the prior year. During 2025, we increased the use of renewable energy across our global operations and evolved the design of existing products to reduce emissions and running costs. The regulatory landscape has continued to develop throughout the countries in which we operate. Balancing our investment across initiatives that create value for our customers, employees, suppliers and communities will be critical to achieving our sustainability goals and commitments.

Risk appetite
We are committed to meeting our climate objectives and reducing our environmental impact in line with our sustainability goals. We actively monitor and adjust our strategies to ensure alignment with our climate commitments while maintaining the resilience of our business operations.

Example management actions
- The Safety and Sustainability Committee sets our sustainability strategy and provides oversight.
- Our Annual Report outlines and updates stakeholders on progress against delivering against stated targets.
- Net-zero commitment published.
- Compliance with TCFD guidelines and requirements.
- Science-based targets defined and monitored.
- Environmental lifecycle assessments of products.
- Engagement with suppliers on emissions measurement.

6. People

Risk owner: Group Chief Human Resources & Sustainability Officer

Link to viability
2. One-off costs and no revenue growth

Trend

Description
Our people are critical to delivering success and growth. An inability to attract, retain and develop key and diverse talent could mean we fail to successfully deliver our strategic goals.

Update
We continue to see meaningful progress across our learning and training, talent management and culture workstream. As a result, our people risk remains consistent with the last year.

Risk appetite
We are prepared to accept a moderate level of risk in managing people-related challenges, understanding that some turnover, skill gaps, and organisational changes are inevitable. We proactively invest in training, development and employee wellbeing to create a resilient and high-performing workforce, while maintaining a flexible approach to adapt to evolving business needs.

Example management actions
- Introduction of our new performance management system to support our people managers and employees through the annual performance cycle.
- Our people manager development programmes support our culture, DNA, and underpin key behaviours.
- A continued focus on building early careers talent pools through graduate, intern and apprenticeship programmes to support our future pipeline.
- A global network of Mental Health First Aiders, and a global wellbeing and employee assistance programme is offered 24/7 in all local languages.
- Ongoing development programmes to build our leadership capabilities.
- Continual development of our culture and employee value proposition.
- We publish our ethnicity pay as well as our Gender Pay Report. We have a Fair Pay Framework covering all employees globally and have been a real living wage employer since 2020.
- An annual employee engagement survey, supported by external benchmarking, that listens to our employees and identifies where we can make improvements and develop local action plans.
- A talent review process including succession planning to identify talent around the business with oversight from the Board.
- The Rotork Benevolent Support offers help to employees, ex-employees and their families facing hardship.

Trend key: Increasing | Unchanged | Decreasing

Principal risks and uncertainties continued

Product quality and reliability

7. Major in-field product failure

Risk owner: Operations Excellence Director and Chief Technology Officer

Link to viability
3. One-off costs and revenue decline

Trend
Unchanged

Description
Major in-field failure of a new or existing product potentially leading to a product recall, major on-site warranty programme or the loss of existing or potential customers.

Update
This risk remains consistent with the prior year. We continue to work with suppliers to drive quality and continually improve our design, manufacturing and assembly processes to minimise the risk of in-field product failures.

Risk appetite
We are committed to delivering high-quality products that meet or exceed customer expectations and regulatory standards. Any risk of product failure that could harm customer safety, damage our reputation or result in significant financial losses is unacceptable. We will take immediate action to prevent such failures, including rigorous testing, quality assurance processes and continuous monitoring to ensure product reliability.

Example management actions
- An established product design review process pre-launch, using our extensive product launch experience.
- Fitting and commissioning products, wherever possible, by our engineers to ensure correct operation when first used.
- Comprehensive set of quality control procedures over suppliers. These include supplier visits, audits and a scorecard system to measure their performance.
- Global service coverage ensures that any product failure issues will be dealt with quickly and efficiently to minimise any reputational impact.
- Intelligent Asset Management (iAM) analytics provide actionable insight into valve conditions and help select appropriate maintenance strategies.
- Continuous improvement of quality procedures throughout the product lifecycle.

Resilience

8. Supply chain disruption

Risk owner: Operations Excellence Director

Link to viability
1. Revenue decline
2. One-off costs and no revenue growth

Trend
Unchanged

Description
Supply chain disruption such as a tooling failure at a key supplier, logistics issue or severe weather events impacting key suppliers, which could cause disruption to manufacturing at one of our sites.

Update
We continued to see improvements in the availability of key components and less uncertainty within our supply chains. We continue to forecast our component requirements and proactively work with our supply chain partners. As a result, this risk remains consistent with last year.

Risk appetite
We are prepared to accept a moderate level of risk associated with potential disruptions, such as delays or supply shortages. We aim to minimise the impact of supply chain disruptions on our operations and we maintain a flexible approach to managing these risks by diversifying suppliers, building contingency plans and maintaining open communication with our key partners. We strive to ensure continuity of supply without being overexposed to unnecessary risk. We recognise that supplier disruptions are an inherent part of global supply chains.

Example management actions
- Dual sourcing for key components wherever possible provides mitigation for key suppliers or a tooling failure.
- A key risk indicator measures single sourced critical components and is reported to the Board.
- Maintaining safety stock levels sufficient to protect against short-term disruption.
- Regular monitoring and replacement of our tooling at all suppliers reduces the risk of a tooling failure.
- Identification of our critical suppliers and components, and improvements in supply.
- Supply chain due diligence and monitoring of supplier quality.
- Strengthening of our risk monitoring processes, including the ways we identify and respond to early warning signs of potential supplier failure.
- Building tactical inventories and increasing direct purchasing of key components.
- Ongoing review of our geographical supply chain risk and supplier base.

Trend key: Increasing | Unchanged | Decreasing

Principal risks and uncertainties continued

Resilience continued

9. Cybersecurity and IT interruption

Risk owner: Chief Financial Officer

Link to viability
1. Revenue decline
2. One-off costs and no revenue growth

Trend

Description

Cyber breaches or critical IT system outages could disrupt operations or compromise sensitive data, technical information or financial records, leading to operational, financial or reputational impact.

Update

Cyber risks continue to evolve, including new risks linked to the growing use of artificial intelligence. We closely monitor threat intelligence and maintain strong patching routines, which remain central to our mitigation approach. We have continued to invest in preventative controls and broader risk-reduction measures. As a result of these actions, the overall risk level remains consistent with last year.

Risk appetite

We aim to minimise the potential impact of cyber incidents and IT failures, and we maintain a balanced approach by investing in proactive security measures, regular system upgrades and contingency planning. We focus on continuous improvement and recovery capabilities to ensure operational continuity while managing associated risks appropriately. We recognise the evolving nature of cyber threats and the critical importance of IT resilience to our operations.

Example management actions

- Established security controls, policies and procedures.
- Dedicated security team using monitoring and defence tools.
- Third-party cyber maturity assessments performed regularly.
- Continuously promoting cybersecurity awareness with our employees through regular training and simulated phishing attacks.
- All new IT services are designed with a 'cloud first' approach to improve security, resilience and availability.
- All IT services are patched in accordance with vendor support contracts and external advice.
- A disaster recovery solution (supported by third-party service level agreements) is in place for all critical systems.
- Increased security and authentication controls implemented for all IT users.
- Key risk indicators and cybersecurity updates are reported to the Board.
- Obsolescence management to maintain confidentiality, integrity and availability of our data and services.

Change management

10. Business change management

Risk owner: Chief Financial Officer

Link to viability
1. Revenue decline
2. One-off costs and no revenue growth
3. One-off costs and revenue decline

Trend

Description

The delivery of our strategic initiatives relies on our ability to deliver a series of key change programmes without causing business disruption or having a negative impact on our day-to-day operations.

Update

This risk remains consistent with last year. Our various change activities continue to deliver across Growth+ programmes. This risk tracks the key change programmes underway, such as Customer Value initiatives and the global rollout of our ERP system. Our management team is focused on delivering the key aspects of our Growth+ strategy and avoiding negative impacts on day-to-day operations.

Risk appetite

We are prepared to accept a moderate level of risk in pursuing business changes, understanding that change can bring both opportunities and challenges. While we seek to manage the impact of change through careful planning, stakeholder engagement and effective execution, we remain flexible and adaptable, minimising disruptions and aligning changes with our long-term strategic objectives.

Example management actions

- We established a dedicated function to focus on delivery of our key change programmes spanning the finance, IT and commercial functions.
- A dedicated project management office is in place to manage key deliverables, with a mix of both operational and specific project management experience.
- We monitor and track outcomes against the initial objectives of each initiative.
- Metrics are in place to highlight any impact on day-to-day operations so that appropriate mitigations can be put in place.
- Our regular governance forums report on risks and deal with issues in a timely manner.
- A resource model is in place to deliver our Growth+ strategy.

Trend key: Increasing | Unchanged | Decreasing

Viability statement

Assessment of prospects

In accordance with the 2024 UK Corporate Governance Code, the Board has assessed the viability of the Group. Our Growth+ strategy and principal risks are set out on pages 12–15 and 60–66 respectively. While the Board has no reason to believe the Group will not be viable over a longer period, the directors have assessed viability of the Group over three years to 31 December 2028, taking account of our current position and the potential impact of the principal risks.

Three years is considered an appropriate period over which a reasonable expectation of the longer-term viability can be evaluated and is aligned with our planning horizon at both Group and divisional level.

Assessment of viability

The Board conducted a robust assessment of the principal risks facing the business throughout the year. The review of the risk appetite framework and risk dashboards contributed to a fuller consideration of those risks which might impact the business model or future performance. The directors have considered each of the remaining principal risks, individually and some in combination, and the potential impact that they could have in severe but plausible scenarios. The scenarios contained significant one-off financial shocks and significant profit erosion impacting the Group's revenue. In particular, the scenarios cover different potential impacts associated with geopolitical instability, and disruption to supply chain or to logistics, whatever the source of that disruption. They also cover increasing political protectionism in respect of trade tariffs and lower investment in the oil and gas markets. These events occurring individually or at once have been considered in the modelling of the different scenarios.

Financial scenario modelling was carried out to assess the impact of these risks on the Group's three-year plan, including a reverse stress test. Assumptions were made concerning market activity levels, the impact of the scenarios on working capital cycles and the mitigating actions that could be taken to reduce the cash and financial impact of the stress-test scenarios. Further mitigating actions not modelled that could be taken if needed include curtailment of dividends or capital asset investment.

The Group has access to a Revolving Credit Facility (RCF) which has been factored into the scenarios above. At year end the RCF was due to expire at the end of 2027 and contains a ratio of 3.5:1 consolidated net debt to consolidated EBITDA covenant. The Group regularly monitors its financial position to ensure that it remains within the terms of these covenants. In March 2026, the RCF has been extended for a further two years and will expire in 2029.

In coming to this view, the Board has considered the current level of geopolitical instability, the inherent volatility in exchange rates and oil and other commodity prices, the current inflationary environment, and the nature of the industry and the business cycles involved.

Given the current position of the Group and the likely effectiveness of any mitigating actions, the Board has assessed the impact these would have on the business model, future performance, solvency and liquidity over the period. The Board has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over a three-year period.

Scenario modelled	Link to principal risks
Scenario 1: revenue decline • 6% decline in revenue by year three. • The Board considered events that would result in a gradual erosion of revenue and gross margin which would ultimately reduce operating cash generation.	• Increased competition • Geopolitical instability • Climate commitments • Major in-field product failure • Supply chain disruption • Cybersecurity and IT interruption • Business change management
Scenario 2: one-off costs and no revenue growth • £50m one-off costs in year one and no growth in revenue from current levels. • Impact of a one-off cost due to a specific issue, accompanied by a reduction or downturn in forecast revenue due to an interruption to production, supply chain disruption or disruption to a specific end market.	• Increased competition • Geopolitical instability • Health and safety • Compliance with laws and regulations • Climate commitments • People • Major in-field product failure • Supply chain disruption • Cybersecurity and IT interruption • Business change management
Scenario 3: one-off costs and revenue decline • £50m one-off costs in year one and a 12% decline in revenue by year three. • One-off cash costs as a result of a specific issue and a permanent loss of subsequent profitability which affects operating cash generation.	• Geopolitical instability • Climate commitments • Major in-field product failure • Business change management
Scenario 4: reverse stress test • £100m one-off costs in year one and a 47% decline in revenue from 2025 by year three. • There is no reasonably possible scenario that would lead to the conditions modelled in the reverse stress test.	• Multiple concurrent principal risks

2025 TCFD Report

Introduction

The following sections report on our implementation of the recommendations of the Task Force on Climate-related Financial Disclosures. We support the purpose of TCFD, to standardise climate-related disclosures that will enable financial and other partners to gain a clear view of which companies will endure or even flourish as the environment changes, regulations evolve, new technologies emerge and customer behaviour shifts.

TCFD and CFD Statement of Compliance

Rotork is disclosing in accordance with the Financial Conduct Authority's (FCA) UK Listing Rule 6.6.6R(8) and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. The main disclosures are set out here, within the TCFD Report, on pages 68 to 75. There are additional disclosures on pages 35 to 41 and 45 to 48. Of the TCFD's 11 disclosure recommendations, we are compliant with 10, and we explain the status of the remaining recommendation below.

TCFD recommendation	Status
Strategy (b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	To fully align with this recommendation, the reporting company must publish a transition plan. As transition plans are also an anticipated requirement of forthcoming reporting regulations, Rotork has decided to delay the drafting of the formal document until the respective requirements for these schemes have been published. Rotork anticipates disclosing in line with the first reporting year of the UK Sustainability Reporting Standards. However, Rotork already discloses many of the likely requirements including its greenhouse gas emissions, progress against science-based targets, TCFD scenario analysis results, and climate-related remuneration target.

Governance

Recommendation (a): the Board's oversight of climate-related risk and opportunities

Strategy

The Board supports the ongoing development of Rotork's business strategy.

Performance

The Board monitors the Group's performance against five key financial and two non-financial performance indicators, including the reduction of Scope 1 and 2 (market-based) emissions. Performance against these measures is evaluated by the Board, the Safety and Sustainability (S&S) Committee and Remuneration Committee. The Audit Committee retains oversight of the assurance of the reporting and disclosures of relevant sustainability data.

Updates: the Board met regularly during the year and received updates from the S&S Committee Chair following each S&S Committee meeting. Each update included coverage of climate-related matters. The S&S Committee met three times during the year and received regular reports from our CEO and wider senior management on the Group's progress towards science-based emissions reduction targets and the related long-term incentive targets, which underpin our ultimate net-zero commitment. In 2025, each S&S Committee meeting included climate-related matters (see the S&S Committee Report on page 106 for further details); these updates are prepared by the ESG, HSE, Engineering and Group Supply Chain teams.

Climate risk assessment: the Board reviews and assesses current and emerging climate and environment-related risks as part of the Group Risk Review process undertaken twice a year. The Board provides a top-down view of climate risks and assesses how risks are being responded to by management.

Recommendation (b): management team's role in assessing and managing climate-related risks and opportunities

As part of the overall risk management process, management reviews and assesses current and emerging climate and environment-related risks at the Group Risk Review meetings undertaken twice a year. The outcomes of these assessments are reported to the Board.

Targets: climate strategy and targets are proposed by the Rotork Management Board, with support from the sustainability team, and are approved by the S&S Committee and the Board. Our science-based greenhouse gas (GHG) emissions reduction targets cover Scopes 1, 2 and 3.

Remuneration: in 2025, remuneration from ESG performance metrics included a Scope 1 and 2 (market-based) emissions reduction measure in the LTIP. The 2026 LTIP includes a further Scope 1 and 2 (market-based) reduction measure.

Individuals

- ***Chief Executive Officer:*** responsible for overseeing integration of climate considerations within the corporate strategy and M&A-related activity and reports directly to the Board.
- ***Chief Financial Officer:*** responsible for climate reporting and compliance with disclosure requirements.
- ***Group Chief Human Resources & Sustainability Officer:*** the executive sponsor of Rotork's sustainability strategy and programme.

Task Force on Climate-related Financial Disclosures continued

Governance continued

Recommendation (b): management team's role in assessing and managing climate-related risks and opportunities continued

Individuals continued

- ***Chief Technology Officer:*** responsible for realising product efficiency opportunities within new product development and overseeing continuous improvement and innovation in product design to manage our demand on resources and limit our environmental impact.
- ***Operations Excellence Director:*** responsible for the HSE and global supply chain teams, which respectively (i) oversee the implementation of environmental and energy efficiency projects at our manufacturing sites to deliver energy, waste and water reduction targets; and (ii) oversee emissions reduction opportunities in the upstream value chain, including engaging with suppliers to set their own science-based targets.
- ***Other members of the management team:*** responsible for supporting the individuals above and meeting their own emissions reduction mandates. The management team is led by our CEO.

Teams

- ***ESG team:*** responsible for developing the ESG and climate strategy and delivering related communications and reports. Reporting to the Group Chief Human Resources & Sustainability Officer, its responsibilities also include (i) monitoring and addressing stakeholder expectations in relation to climate issues; (ii) monitoring broader ESG and climate-related policy developments; and (iii) monitoring our exposure to climate-related risks and opportunities to ensure awareness of the management team and to meet disclosure requirements.
- ***Health, Safety and Environment (HSE) team:*** responsible for setting and adhering to environmental standards for our operations and collating environmental performance data. Reporting to the Operations Excellence Director, the team is also responsible for overseeing the implementation of the operational aspects of the climate strategy set by the Board.
- ***Global Supply Chain team:*** responsible for supplier engagement on climate issues and engaging suppliers to set their own science-based targets. Reporting to the Operations Excellence Director, the team is additionally responsible for assessing and responding to ESG risks and opportunities in our supply base, including climate-related risks.

Strategy

Recommendation (a): climate-related risks and opportunities over the short, medium and long-term

Our approach to scenario analysis

Over the course of 2021–2023, Rotork undertook an initial set of scenario analyses. The physical risk assessment modelled risks to our four largest assembly facilities using the IPCC Shared Socioeconomic Pathways (SSP1-2.6, SSP2-4.5, SSP5-8.5). The transition risk assessment modelled IEA scenarios (Stated Policies, Announced Pledges, Sustainability Development, Net-Zero Emissions).

In 2024, we engaged specialists from the Marsh Climate and Sustainability team to refresh our quantitative climate scenario analyses. Our latest physical risk assessment includes all Rotork facilities in an initial risk screening to identify facilities with potential exposure to climatic hazards. All assembly facilities were included in the subsequent scenario analysis risk modelling. Our latest transition risk assessment uses two Network for Greening the Financial System (NGFS) transition scenarios, incorporating findings from the previous analyses.

Quantification of financial impacts

The physical risk modelling quantified the annual impact on net profit of future climate scenarios against a 2020 baseline for property damage (before any insurance coverage) and productivity loss.

The transition risk modelling included quantification of direct greenhouse gas (GHG) emissions costs (annual impact on net profit). The transition opportunity modelling quantified the incremental revenue from new market opportunities (net present value for the period 2024–2050).

Time horizons

Our scenario analyses assess physical climate risks using modelled timeframes of 2020–2100 (by decade) and transition risks for 2025–2050 (at 2025, 2030 and 2050).

These analyses align with our enterprise risk management timeframes.

- ***Short-term (0–5 years):*** the five-year timeframe aligns with our five-year strategy and related strategic planning.
- ***Medium-term (5–10 years):*** the 10-year timeframe aligns with our approach to innovation and service development.
- ***Long-term (10–25 years):*** the 25-year timeframe aligns with (i) the timeframe we apply in macro and megatrend risk scenarios, see pages 4 and 67, and (ii) our net-zero target timeframes.

Determining climate-related materiality

A substantive financial or strategic impact on our business is defined by our risk management process as:

- ***Financial:*** effect on net profit of >£8m and a probability of occurrence above >25%.
- ***Strategic:*** an event in the future that may limit our ability to deliver against our strategic goals.

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Recommendation (a): climate-related risks and opportunities over the short, medium and long-term continued

Our approach to scenario analysis continued

The scenarios and their parameters

Physical risk scenarios	**IPCC RCP 2.6:** a low-emissions scenario where global warming is likely limited to below 2°C.
	IPCC RCP 8.5: a high-emissions scenario where global warming may exceed 4°C.
Risks assessed	(i) Surface water flooding, (ii) Riverine flooding, (iii) Coastal inundation, (iv) Soil movement, (v) Extreme wind, (vi) Forest fire, (vii) Freeze thaw, and (viii) Extreme heat.
Notes	Global average temperatures across these two scenarios are not expected to diverge until c.2040. Climate risk was modelled using the XDI climate model, which assesses the risk of physical damage and operational disruption posed by natural hazards. The model does not incorporate site-specific protections.

Transition risk scenarios	**NGFS Net Zero 2050:** a high-ambition scenario which limits global warming to 1.5°C, achieving net-zero by 2050 through significant, coordinated global climate policies and cross-sectoral innovation.
	NGFS Fragmented World: a scenario with delayed, unaligned climate policies, resulting in 2.4°C of warming and significant exposure to both physical and transition risks. Countries with net-zero targets achieve 80% of ambition and those without continue current policies. This scenario was selected for comparison as it is more reflective of the current policy environment.
Risks and opportunities assessed	(i) Carbon pricing, (ii) Energy technology (transition-related costs), (iii) Market shifts, (iv) Reputation, (v) Liability, and (vi) Investor sentiment.

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Recommendation (a): climate-related risks and opportunities over the short, medium and long-term continued

Climate risks and opportunities

Physical risks

ID	Impact	Description	Category	Financial impact in 2050	Scope of assessment	Risk management
R1	Increased risk of property damage from climate-related natural hazards at our operational sites	Losses from physical damage to Rotork sites. The modelled impact is modest. Site-specific protections are not considered by the model.	Acute and chronic	RCP 2.6 (2°C warming) RCP 8.5 (4°C warming)	100% of global sites	• Our assets are insured against natural hazards and business interruption. • Asset-specific business continuity plans are in place. Our largest operations are in the UK, China, the USA and Italy.
R2	Increased risk of productivity loss from climate-related natural hazards at our operational sites	Losses from downtime days at Rotork sites. The modelled impact is modest. Site-specific protections are not considered by the model.	Acute and chronic	RCP 2.6 (2°C warming) RCP 8.5 (4°C warming)	100% of global sites	

Transition risks

ID	Impact	Description	Category	Financial impact in 2050	Scope of assessment	Risk management
R3	Direct GHG emissions costs	Additional costs from carbon taxes and fees on Scope 1 and 2 emissions.	Policy and legal	Net Zero 2050 Fragmented World	100% of global sites	• We are proactively reducing Scope 1 and 2 (market-based) emissions and achieved our science-based reduction target in 2025.
R4	Reputation and perception risk	Effect of investors' and customers' perception of the sustainability of Rotork's business, operations and products.	Reputation	Qualitative analysis	Group level	• Reputational risk is evaluated as part of the Group risk management process. • We regularly engage with our stakeholders.

Impact thresholds (key): Negative exposure: <£3m £3–5m £5–10m £10–20m >£20m

Task Force on Climate-related Financial Disclosures continued

Strategy continued

Recommendation (a): climate-related risks and opportunities over the short, medium and long-term continued

Climate risks and opportunities continued

Practical limitations when quantifying future risks

Please note that these quantifications are forward-looking projections, which can only provide an indicative value at risk. Physical risk values are based on place-based assumptions concerning likelihood, magnitude and asset vulnerability, which vary between future climate scenarios.

Transition opportunities

ID	Impact	Description	Category	Revenue impact (NPV)	Scope of assessment	Opportunity management
O1	Incremental revenue from new market opportunities	Decarbonisation activities offer increased demand for Rotork products in key transitional sectors including: • CCUS; • battery storage; and • hydrogen.	Markets	Net Zero 2050 Fragmented World	Global	• As part of our Growth+ strategy, we have identified Target Segments where we see significant profitable growth opportunity (including decarbonisation and HVAC) and have established business development teams to secure these opportunities.

Impact thresholds (key): Positive exposure: <£3m >£20m

Recommendation (b): the impact of climate-related risks and opportunities on businesses, strategy, and financial planning

Integration into financial planning

The opportunities and risks (net of any insurance cover) of climate change are integrated into our financial planning, to the extent that the likelihood of occurrence is probable.

- The expected cost of taxes (including environmental taxes), energy and capital expenditure (including energy-saving and renewable energy projects) are incorporated into our budgeting processes.
- The revenue and anticipated revenue from our eco-transition portfolio factors into our financial forecasts, including climate-related opportunities like oil and gas customers purchasing electric actuators as part of decarbonising upstream operations.
- As part of our budgeting processes, we incorporate the cost of performing risk assessments and undertake mitigations to reduce the impact of physical risks. We purchase insurance to further mitigate the risk of property damage from extreme weather events.
- We manage reputational risk through our 'Climate commitments' principal risk (page 64), which is incorporated within our viability assessment.

The viability assessment (page 67) considers risks where the likelihood of risk occurrence is more remote. The likelihood of risks occurring is monitored through our Group risk management process.

Strategy continued

Recommendation (b): the impact of climate-related risks and opportunities on businesses, strategy, and financial planning continued

Incorporation into business strategy

Our 'enabling a sustainable future' initiative underpins the Growth+ strategy. To monitor transitional opportunities, we began reporting on our eco-transition portfolio in 2021.

The role Rotork can play in a green economy and a cleaner, more sustainable future featured highly in our recent materiality assessments. Our products can enable the transition to a low-carbon world, with applications in low-carbon fuels, hydrogen, carbon capture, usage and storage, and battery materials.

In addition, there are considerable opportunities to assist our oil and gas customers in delivering against their net-zero commitments. These include providing products and services that deliver reliable, energy-efficient solutions that minimise environmental impacts (for example, through lower emissions, energy consumption and water usage). Similar opportunities present themselves in the water, power and industrial markets. Our products have applications in the rollout and modernisation of critical infrastructure. Water scarcity is resulting in a greater need for recycling and desalination, and rising sea levels are necessitating flood defence investment.

Case studies illustrating the role we can play are set out on pages 45 to 48

Recommendation (c): the climate resilience of our strategy

The scenario analysis indicates that Rotork is resilient to both the transition to a low-carbon economy and to the more frequent severe weather events that would accompany climate scenarios with greater levels of warming. Our continued progress against our science-based Scope 1 and 2 target demonstrates our ability to manage the risk of future carbon taxes. Likewise, the risk of disruption from climate-related natural hazards is assessed as 'low' with management procedures in place.

Through our ability to supply technologies that enable the transition – including hydrogen production and electrification of oil and gas operations – we are positioned to benefit from the transition to a 2°C scenario. For further examples of our products' use in low-carbon technologies, see pages 45 to 48.

Risk management

Recommendation (a): identifying and assessing climate-related risks

Risk management framework

We assess and manage climate-related risks and opportunities using our established, overarching risk management framework (see pages 58 to 59 for more information). This framework incorporates both 'bottom-up' and 'top-down' risk identification and review processes. The bottom-up process is carried out at functional, divisional and regional levels and the top-down process is performed at the management and Board level.

Horizon risk methodology

For many climate-related risks, either the severity of the impact or the likelihood may be uncertain, and typically these risks may materialise over longer-term time horizons than more traditional business risks. To account for this, we use a 'horizon risk methodology' to assess those risks that are more uncertain or intangible, such as climate change. This uses a wider timeframe than typically used, with short term as 0–10 years, medium term as 10–25 years and long term as 25 years and beyond.

Climate risk identification

We identify, monitor and manage climate-related risks through risk workshops held with all key functions at least twice a year. Since 2022, in addition to the established risk management process, additional cross-functional workshops were convened to identify and contextualise climate-related risks and opportunities that affect different functions. The potential impacts were discussed and ranked based on perceived business importance.

Climate risk assessment

In accordance with the TCFD recommendations, our assessment primarily focused on understanding the potential financial impact of these risks. To achieve this, each transition and physical climate risk or opportunity has been qualitatively assessed and scored based on the potential financial impact. The level of potential financial impact is a function of three criteria including vulnerability (consisting of level of exposure, sensitivity and adaptive capacity), likelihood and magnitude. We also assessed opportunities in terms of the size of opportunity and ability to execute. The risk and opportunity assessment results were used to inform the next stage of the climate risk assessment – the quantification of potential financial impact for some of the most material risks.

We currently define financial materiality as affecting net profit by over £8m and probability greater than 25%. This will be used to inform the continued development of risk management responses for incorporation into our Climate Transition Plan.

Recommendation (b): managing climate-related risks

Risk control and management

When risks are identified, a risk owner is assigned who is accountable for monitoring and managing the risk. In some cases, climate-related risks identified may already sit as risk drivers to an existing risk.

Where a new response is required to manage a risk, an action owner is assigned who is accountable for the delivery of the action, with support from the Risk and Compliance team. An appropriate action could be to perform further analysis, to put in place controls and mitigations, or to address the risk by identifying other opportunities.

Task Force on Climate-related Financial Disclosures continued

Risk management continued

Recommendation (c): how identifying, assessing and managing climate-related risks are integrated into enterprise risk management

The Board is responsible for determining the nature and extent of the risks it is willing to take in achieving our strategic objectives. Our Group risk appetite statement sets the tone from the top and supports decision making to mitigate, control or accept risks. Our purpose, 'keeping the world flowing for future generations', is embedded in the way we assess risks.

The Board considers climate issues in strategic and financial planning throughout the year; however, a formal review process is conducted twice yearly. The Board is assisted in the assessment of climate-related matters by the Safety and Sustainability Committee, the Audit Committee and the Rotork Management Board.

Our Group risk management process reviews those risks that could have an immediate or longer-term impact. One of our principal risks is 'Climate commitments'. This risk is driven by the Group's commitment to enable a sustainable future, and our understanding of the challenges that are posed in delivering our targets, both internally and externally, to align with climate science. Sustainability is a key pillar of our strategy, and we are well positioned to support the transition to a low-carbon economy and sustainable future. This is further outlined in our Growth+ strategy on page 12. We recognise that as a company we must live up to our promises and deliver on the targets we have set. This risk demonstrates that we understand that operating responsibly is important for Rotork and its stakeholders. For more information see page 64.

We manage climate-related risks and response options using the Group's risk management framework which incorporates both a bottom-up and top-down assessment. Climate change is a standing agenda item at risk workshops undertaken at least twice a year. Given the unique characteristics of climate-related risks, we use our horizon risk methodology to assess risks against longer-term time horizons relevant to climate change. Risk owners are assigned to the most material risks and appropriate control measures are decided based on the perceived materiality and the agreed risk appetite.

Metrics and targets

Recommendation (a): climate risk and opportunity metrics

For Rotork's 2025 update on sustainability performance, please see the Sustainability Review on pages 28 to 57

ID	Risk	Metric	2025	2024	2023
R1	Property damage	Number of natural catastrophe events resulting in a significant financial impact	—	—	—
R2	Operational disruption				
R3	Direct GHG emissions costs	Scope 1 and 2 emissions (metric tonnes, market-based)	**5,341**	5,877	6,310
R4	Reputation and perception risk	MSCI ESG rating	**AAA**	AAA	AAA

ID	Opportunity	Metric	2025	2024	2023
O1	Incremental revenue from new market opportunities	% revenue from eco-transition portfolio[1]	**31%**	30%	30%

1 Our 'eco-transition portfolio' includes: 'Water & wastewater', 'Methane emissions reduction' and 'New energies & technologies'. These include products and services that: (i) reduce (if not eliminate) methane emissions through the electrification of the upstream oil & gas sector; (ii) enable the energy transition through applications in LNG, carbon capture and storage, biofuels, hydrogen and offshore wind; and (iii) manage water and wastewater distribution and treatment.

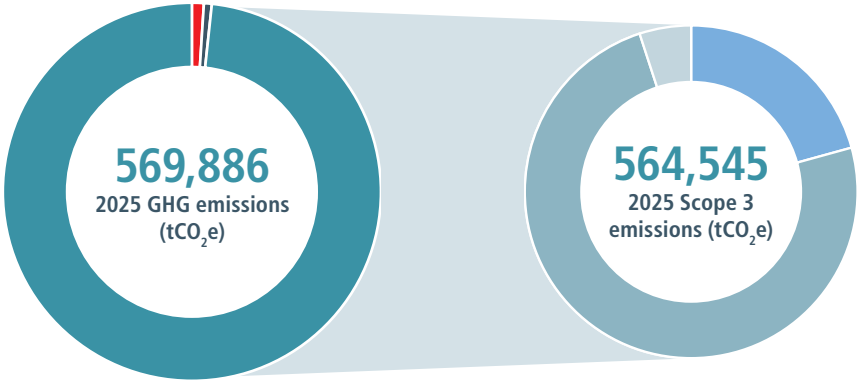
Task Force on Climate-related Financial Disclosures continued

Metrics and targets continued

Recommendation (b): Scope 1, 2 and 3 greenhouse gas emissions and related risks

Our Streamlined Energy and Carbon Reporting (SECR) disclosures are available on pages 35 to 37

Climate risks and opportunities continued



- Scope 1
- Scope 2 (market-based)
- Scope 3
- Purchased goods and services
- Use of sold products
- The remaining Scope 3 categories

GHG emissions	Metric tonnes CO_2e (2025)	Associated climate-related risks
Scope 1	3,701	• Direct GHG emissions costs
Scope 2 (market-based)	1,640 (Limited assurance)	
Scope 3	73,270 Purchased goods and services 458,977 Use of sold products (Limited assurance) 32,298 The remaining Scope 3 categories	
Total GHG emissions	569,886	

Recommendation (c): climate-related targets

Our near-term emissions reduction targets for Scope 1, 2 and 3 have been validated by the SBTi. The baseline year for all targets is 2020.

Our climate targets are discussed on page 35

We achieved our market-based target – to reduce Scope 1 and 2 emissions by 42% compared with 2020 – with a 43% reduction in 2025. This is an absolute reduction target, aligned to a 1.5°C pathway. Market-based emissions are reported on page 35. We achieved this target through renewable energy procurement, on-site solar photovoltaic generation, energy efficiency projects across our estate and initiatives to reduce vehicle fleet emissions. Motivated by our success, we are challenging ourselves by setting the stretch target of a 60% reduction by 2030.

For Scope 3, we also set an absolute reduction target for emissions associated with the Use of sold products. Our target is to reduce emissions by 25% by 2030, in line with a well-below 2°C pathway. We will achieve this target through incorporating energy performance improvements into the new product development process and by assessing energy-saving opportunities of existing products.

We are on track with programme delivery, see further details on pages 32, 35 and 39

In addition, we have set a supplier engagement target for emissions associated with purchased goods and services. We are engaging with suppliers representing 25% of supply chain emissions to set their own science-based targets by 2027, see further details on page 41.

We remain committed to the ultimate goal of net-zero. During 2026, as part of reviewing our overall sustainability strategy, we will review our net-zero roadmap and the timeline for this ultimate goal.

From 2023 grant year onwards, the executive LTIP awards include a measure targeting reductions in Scope 1 and 2 (market-based) emissions.

Non-financial and sustainability information statement

The Non-Financial Reporting Requirements in Sections 414CA and 414CB of the Companies Act 2006 are addressed in this statement using cross references to indicate pertinent sections within this report

This statement refers to a range of policies that govern our approach to Environment, Social and Governance (ESG) topics, including due diligence and outcomes. Our ESG policies are primarily published on our website at www.rotork.com/en/environmental-social-governance/esg-reports-and-policies. Starred policies (*) are available to employees on the Rotork intranet.

Policies	NFSIS Requirement	Description	For further information, see the following pages
Anti-Bribery and Corruption Policy*	1	Provides guidance for employees on the prevention of bribery and corruption, and prohibits the giving or receiving of any bribes or kickbacks in any form, whether by Rotork or any third party acting on its behalf.	43–44, 148
Board Diversity & Inclusion Policy	2	Sets out the Board's approach to diversity and inclusion and provides the framework for the Board's approach to diversity and inclusion in senior management roles.	52, 55, 116
Channel Partner Code of Conduct	1	Outlines expectations for channel partners to conduct business legally, ethically and sustainably in line with Rotork's values.	44, 63
Code of Conduct	1 2 3 4 5	Sets out the ethical standards and behaviours required from our employees, temporary workers and contractors, covering a wide range of topics such as Anti-Bribery and Corruption, Gifts and Hospitality, Conflicts of Interest, Fair Competition, Sanctions and Export Controls, Protecting Rotork's Information and Assets and Human Rights and Modern Slavery, as well as providing links to supporting policies that provide more information on each topic.	43–44, 93, 97, 148
Conflict Minerals Policy	4	Sets out the Company's commitment to not using tantalum, tin, tungsten and gold that directly or indirectly finances or benefits armed groups in the Democratic Republic of the Congo, adjoining countries, and other conflict-affected and high-risk areas (CAHRAs).	41–42
Environmental Policy	3	Sets out our commitment to protecting the environment, ecosystems and biodiversity; continually improving our environmental and energy performance; and complying with all applicable environmental and energy regulations. It applies to the whole Group, including subsidiaries.	35–42, 106–109
Gifts and Hospitality Policy*	1	Provides guidance on the process for giving or receiving of gifts or business hospitality to customers and other third parties.	43–44, 148
Group Tax Strategy	5	Our overall tax strategy is for full disclosure and co-operation with all tax authorities. We consider reputational, financial and operational risks in our approach to tax planning. We are committed to creating an open and transparent working relationship with tax authorities in the jurisdictions in which we operate, and to abiding by all applicable laws.	88, 110
Health & Safety Policy	2	Sets out our commitment to the planning and management of health and safety for reducing accidents and cases of work-related ill-health. It applies Group-wide, including to all our subsidiaries and persons working for or on behalf of the Company.	34, 106–109
Modern Slavery Policy*	4	Provides guidance for employees on how to prevent and detect modern slavery across Rotork's business or its supply chain, and reflects Rotork's commitment to implementing and enforcing effective systems and controls to prevent Modern Slavery.	41–44, 63, 148
Modern Slavery Statement	4	Outlines Rotork's commitment to preventing slavery and human trafficking in our operations and supply chains, detailing the steps taken to mitigate risks and ensure compliance with the Modern Slavery Act.	41–44, 63, 148
Speak Up Policy	1 2 4	Provides employees and stakeholders with guidance about Rotork's procedures for reporting and handling allegations of wrongdoing and breaches of the law or our Code of Conduct.	43–44, 63, 92–93, 148
Supplier Code of Conduct	3 5	Sets out the core expectations regarding ethical values and behaviours that Rotork expects from all third parties providing goods or services to Rotork and their own supply chains.	40–43, 63, 102–103, 109, 148
Worldwide Charity Support Policy*	5	Sets out how we implement charitable giving, in line with our corporate responsibility aims. Every location has authority to spend 0.1% of its prior year's profit before tax on charitable or good cause activities chosen by the employees of that location.	54

Key

Anti-bribery and corruption 1	Human rights 4
Employees 2	Social matters 5
Environmental matters (including climate-related financial disclosures) 3	

Non-financial and sustainability information statement continued

Further non-financial and sustainability information

Non-financial and sustainability information	Section	For further information, see the following pages
Business model	• Business model	18
Climate-related financial disclosures	• 2025 TCFD Report	68–75
Non-financial key performance indicators	• Key performance indicators	19–20
	• Sustainability Review	28–57
Principal risks	• How we manage risk	58–59
	• Principal risks and uncertainties	60–66
	• Viability Statement	67

We also submit responses to the CDP Climate and Water Security questionnaires annually. Our sustainability reports and policies are published at the following address: www.rotork.com/en/investors/diversity-and-inclusion and www.rotork.com/en/environmental-social-governance/esg-reports-and-policies.

Information for funds applying the Sustainable Finance Disclosure Regulation (SFDR)

Our end markets

In 2025, 45% of our sales were into Oil & Gas, 29% into Chemical, Process & Industrial and 26% into Water & Power. The most common application of our products and services – across all end markets – is the control and management of water, including for water recovery, recycling and treatment processes.

Rotork's products are an essential component in processes for new energies and technologies that enable climate change mitigation and adaptation. They also contribute positively to the sustainable use of water resources, as well as having applications in flood protection.

Our 'eco-transition portfolio' includes three portfolios: 'water & wastewater', 'methane emissions reduction' and 'new energies and technologies portfolio' as well as other applications such as process water management and gasification. We estimate that these three portfolios represented around 31% of sales in 2025, with other applications also material but difficult to estimate. Eco-transition portfolio sales promote environmental or sustainability characteristics, specifically methane emissions elimination, water preservation, carbon capture and new capacity renewable energy generation. See pages 45 to 48 for case studies. For the avoidance of doubt, Rotork does not produce nuclear power, own fossil fuel reserves, produce or sell tobacco or military or other weapons or operate in the gambling sector.

Our business

- ***ESG ratings:*** we are highly ranked by ESG ratings agencies, including MSCI, S&P Global and CDP. See page 28 for details.
- ***Alignment to the 2015 Paris Agreement:*** We have set science-based emissions reduction targets across Scopes 1 and 2 and Scope 3. We have also committed to target net-zero by 2035 for Scopes 1 and 2 and by 2045 for Scope 3. See pages 35 to 37 for details.
- ***UN 2030 Agenda for Sustainable Development:*** As part of our sustainability framework, launched in 2021, we are targeting progress for UN SDGs 5, 6, 7, 8, 9, 12 and 13. We were also an early signatory of the UN Global Compact. See page 29 for details.

Further details of our ESG performance, including topics such as safety, gender pay gap, human rights policy, anti-corruption practices and whistleblowing are set out in the Sustainability Review on pages 28 to 57.

Approval and signing of the Strategic Report

The Strategic Report was approved for issue by the Board on 9 March 2026 and signed on its behalf by:

Kiet Huynh
Chief Executive Officer
9 March 2026

Corporate governance

Corporate governance

During 2025, the Rotork Board maintained its ongoing commitment to the highest standards of governance and stakeholder engagement.

In this section

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147 Directors' report
151 Statement of directors' responsibilities

Chair's governance overview

Dorothy Thompson, CBE
Chair

Applying the principles of the UK Corporate Governance Code 2024 (the '2024 Code')

On behalf of the Board, I am pleased to introduce Rotork's Corporate Governance Report for 2025.

I am pleased to provide my third Corporate Governance Report to you as Chair of the Rotork Board. This report describes the key activities undertaken by the Board during 2025, within the context of Rotork's governance arrangements. My report and the reports that follow from the Chairs of Rotork's Board Committees explain how the principles of best practice corporate governance have been applied within the business throughout the year.

2025 was another successful year for the Company, as we continued to implement the Growth+ strategy. Our core purpose, 'keeping the world flowing for future generations', continues to be a powerful motivator driving all that we do, and it continues to underpin the Growth+ strategy, including our sustainability vision. The information contained within the Strategic Report on pages 1 to 77 illustrates how the Growth+ strategy continues to drive sustained growth, improved margins and enhanced returns, with strong momentum across all three of its strategic pillars: Target Segments, Customer Value and Innovative Products and Services. Each of these strategic pillars is underpinned by a focus on enabling a sustainable future.

> "Rotork's governance arrangements underpin the successful management of the Group and enable the Board to focus on the key strategic issues."
>
> **Dorothy Thompson, CBE**
> Chair

The Board and I have been particularly pleased with the wide variety of activities to support the evolution of Rotork's cultural DNA during 2025. More details about these activities are set out on pages 16 and 17, and information about how the Board as a whole has closely monitored this evolution is set out on pages 92 and 93. Rotork's designated Non-executive Director for Workforce Engagement is Vanessa Simms. Vanessa's leadership of the Board's workforce engagement ensured that employees' views were represented, and their interests were considered, during our Board-level strategic decision making during 2025. Vanessa's report starting on page 94 provides further details on the whole Board's involvement in employee engagement activities during the year. At all of our site visits during 2025, we met with a wide range of employees and found it highly valuable to hear their views first hand. The openness and constructive nature of the talks we all had on these visits reflects the positive culture across the organisation. The directors and I would like to thank everyone we met for their time and insights.

Board activities in the year

A key focus for the Board in 2025 was to monitor the ongoing delivery of the Growth+ strategy. We achieved this through regular reviews of financial performance as well as other key performance indicators, together with strategic deep dives throughout the year into our Target Segments, progress on our customer service proposition and further technology developments in products and services. The sessions provide valuable detailed insight into the Company's end markets, functions and operations. Our deep dives are supported by a comprehensive update from the relevant Rotork Management Board member at our Board meetings.

Chair's governance overview continued

Board activities in the year continued

The Target Segments approach within the Growth+ strategy has allowed us to leverage beneficial macroeconomic trends such as electrification and the growing focus on water security. This enables the business to focus on opportunities showing the highest potential and those best positioned to deliver above-market growth and attractive returns, and to identify new market areas. The success of this approach is evident in the Group's 2025 OCC revenue growth of 3.7% and adjusted operating margin of 24.6%.

Safety continues to be a key priority for Rotork. We are committed to ensuring the wellbeing and safety of our employees and partners by maintaining the highest standards. Rotork continues to invest in robust systems, continuous training and proactive risk management to work towards our zero-harm objectives. Sustainability also remains an ongoing priority for Rotork. The Safety and Sustainability Committee, chaired by Andrew Heath, maintains detailed oversight of the implementation of the Company's safety and sustainability strategies on behalf of the Board and has kept the Board fully updated during the year. The Board has continued to monitor the progress being made on safety performance and the reduction in the Group's greenhouse gas emissions in line with its net-zero goals. We have also kept a keen interest in reviewing the engagement being undertaken with our customers and suppliers on their own sustainability activities. Rotork continues to have an important role to play in new technologies that will support the transition to a low-carbon economy. In recognition of this, the Board also took time to review how we can continue to play our part through investment in new product development to help drive the transition to a sustainable future where resources are used responsibly.

The Board regularly reviews the Group's capital needs in line with our disciplined capital allocation policy. Kiet Huynh covers the main components of this in more detail in his CEO's Statement on page 9. The Board's capital deployment priorities remain that of organic investment in the business, a progressive dividend policy, strategic acquisitions and additional shareholder returns. Further to the £50m share buyback programme undertaken during 2024, another £50m share buyback programme took place between April and October 2025. An additional share buyback programme, of up to £50m, was commenced in November 2025. With our strong balance sheet, healthy net cash position and continued good cash generation, the Board is recommending a final dividend for 2025 of 5.35p per ordinary share, bringing the total dividend for 2025 to 8.30p per ordinary share. This is a 7.1% increase on 2024. We remain active in assessing M&A opportunities in line with our targeted M&A strategy and the Board keeps this, the M&A pipeline and potential opportunities under review throughout the year. Accordingly, the Company acquired Noah in March 2025, broadening Rotork's offering in electric actuator markets. We have been pleased to see that Noah has integrated well since joining the Rotork Group. The Board also approved the disposal of two non-core businesses, which completed on 4 March 2026.

During 2025 the Board continued to focus on oversight of Rotork's multi-year Business Transformation. This is being achieved through the implementation and integration of common systems and processes across the Group, supported by a new cloud-based ERP system. This transformation is designed to drive increased efficiency of sales, inventory and operations management as well as improved lead times and an enhanced customer experience, both of which are important deliverables under the Customer Value pillar of the Growth+ strategy. The Board has been monitoring progress during 2025 and the planned deployments during 2026 and beyond.

The Board has closely monitored innovation at Rotork as a component of the Innovative Products and Services pillar of the Growth+ strategy. The directors reviewed the RTP-4000 intelligent valve positioner range and IQ3 Perform before their launch to market, as well as potential new products in the research and development phase.

Recognising the importance of understanding the Company's risk profile and appetite, the Board held a number of discussions during 2025 on risk and compliance matters, including comprehensive enterprise risk reviews including the Company's principal and emerging risks, and dedicated sessions focused on cybersecurity and litigation.

The Board is always keen to understand and respond to the views, concerns and challenges of our people. We recognise the importance of a strong and cohesive culture, which is properly embedded within the organisation, to support the delivery of the Growth+ strategy. The Board and I have kept a close eye on the programme to evolve the Company's culture, and I attended one of the employee engagement sessions to hear employees' views first hand. During 2025, the Board and I have closely monitored the variety of initiatives to evolve the cultural DNA. More details about these initiatives are set out on pages 16 and 17 and 92 and 93. As noted above, all Board members were directly involved in employee engagement activities in some way during 2025. Towards the end of the year, we reviewed the results of the latest employee engagement survey undertaken in September 2025. We were pleased to see a notable increase in the overall engagement score when compared with 2024.

The Remuneration Committee, chaired by Svein Richard Brandtzæg, reviewed the appropriateness of Rotork's current remuneration policy during 2025 and its alignment with our Growth+ strategy. As a result, certain refinements to the remuneration Policy (the Policy) are being proposed. The details and rationale for the proposed changes are set out in Svein Richard's letter, which starts on page 119. Svein Richard has kept the Board updated on the proposed changes and feedback from investors as part of the consultation process we undertook with them during the latter part of 2025.

A summary of the key Board activities during the year can be found on page 84, and the timeline on page 89

Board composition and internal Board performance review

The Nomination Committee, which I chair, keeps the balance of skills, knowledge, experience and diversity on the Board under regular review. It remains mindful of the best practice requirements under the 2024 Code and the requirements in UK Listing Rule 6.6.6R(9).

There were several changes to the Board in 2024, which you can read about in further detail in the 2024 Annual Report. Following these changes, 2025 represented a year of consistency for our strong and cohesive Board. There were no changes to our directors or to the composition of our Board Committees during the year. Karin Meurk-Harvey, who has been a non-executive director at Rotork since September 2021, will step down from her role with effect from the conclusion of our AGM on 1 May 2026. Karin has been a valuable member of the Board and leaves Rotork with our sincere thanks.

The 2024 Code requires us to undertake an externally facilitated Board performance review every three years. Our last external review was undertaken in 2023, so during 2025 we conducted another internal performance review of the Board and its Committees. The results concluded that our Board and Board Committees all continue to operate effectively. The Board and I together agree that we have an appropriate balance of skills, experience, knowledge and diversity on the Board and that we each have sufficient time to commit to our roles.

More details about Board composition and the performance review process are set out in my Nomination Committee Report on page 115

Chair's governance overview continued

Diversity, inclusion and equal opportunity

Diversity in the boardroom and throughout the entire Group is taken seriously by the Board, as part of our commitment to nurture an inclusive and respectful culture. The Board is committed to ensuring that its membership reflects diversity in its broadest sense. We believe that a combination of skills, experience, ethnicity, age, gender, educational and professional background, thinking and other personal attributes is required to provide a range of perspectives, insights and challenge to support good decision making and to enable the achievement of strategic objectives. The importance of this area forms the basis for the Board's succession planning. You can read more about our overall approach to diversity and inclusion across the Group on page 52.

Stakeholders

The Board takes account of the impact of its decisions on all the Company's stakeholders – whether that be our investors, customers, employees, suppliers or the communities in which we operate – while taking steps to secure the Group's longer-term success. Working collaboratively with all our stakeholders to understand their different perspectives remains a focus for the Board. We have maintained regular two-way dialogue with our stakeholder groups during 2025 and, on behalf of the Board, I would like to thank them for their ongoing partnership.

Details of how the Board considered the impact of its strategic decision making on various stakeholder groups during the year, and how the Board engaged with stakeholders to understand their views, can be found on pages 100 to 105

A statement on how the directors had regard to the matters set out in Section 172(1) of the Companies Act 2006 can be found on pages 98 and 99

Governance

Throughout the year, we have applied the principles of the 2024 Code to our decision making and have ensured that there is good co-operation within the Group to enable us to discharge our governance responsibilities effectively. The application of the principles of the 2024 Code is described throughout this report, together with explanations and signposts providing direction to the relevant page where more detail can be found. Whilst Provision 29 of the 2024 Code did not formally apply to the Company until our accounting year which began on 1 January 2026, we have ensured that preparations were undertaken in advance, with oversight from the Audit Committee (which provided updates to the Board). More details in this regard are set out in Janice Stipp's Audit Committee Report on pages 110 to 114.

The Company's 2024 Code Corporate Governance Compliance Statement for 2025 is set out on page 84

On behalf of the Board, I would like to thank all Rotork's employees for their hard work during 2025. Rotork is a world-class business, which remains well placed to build on its existing strengths and continue to deliver sustainable growth over the coming years.

Dorothy Thompson, CBE
Chair
9 March 2026

Focus for the Board during 2026

Continued implementation of the Growth+ strategy

Continued Board oversight of the delivery of mid to high single-digit revenue growth and mid-20s adjusted operating margins over time in line with the Growth+ strategy.

People and culture initiatives

Continued strategic direction and support of the learning and development and leadership programmes together with initiatives to continue to embed Rotork's cultural DNA to support sustainable growth and long-term success.

Externally facilitated Board performance review

In compliance with the 2024 Code, we plan to conduct an externally facilitated performance review of the Board and its Committees.

Board of directors

A Board with experience

Oversight of strategy, promoting the long-term sustainable success of the Company and generating value for stakeholders continue to be the Board's focus.

- A Audit Committee
- N Nomination Committee
- R Remuneration Committee
- S Safety and Sustainability Committee
- Denotes Committee Chair

Dorothy Thompson, CBE (65)
Chair

Appointed to the Board
December 2022

Skills, competencies and experience
Dorothy was previously Chief Executive Officer of Drax Group plc, the UK renewable power business, from 2005 to 2017, and has built extensive experience in a non-executive capacity across public and private company boards and the UK's central bank. She is currently a non-executive director of Eaton Corporation plc, a leading global power management company listed on the New York Stock Exchange, and of InstaVolt Ltd, a provider of electric vehicle fast charging services. She is also non-executive Chair of Statera Energy Ltd, a UK energy company which provides grid-balancing support. Dorothy retired as Senior Independent Director of the Bank of England in July 2022, where she had been on the Court since 2014. From 2018 to 2021 she served as the non-executive Chair of Tullow Oil plc and was a non-executive director of Johnson Matthey plc from 2007 to 2016.

External appointments
Non-executive director of Eaton Corporation plc

Kiet Huynh (47)
Chief Executive Officer

Appointed to the Board
January 2022

Skills, competencies and experience
Kiet was appointed as Rotork's CEO in January 2022 and has been instrumental in curating, launching and delivering the Company's Growth+ strategy. Kiet joined Rotork in 2018 as Managing Director responsible for the Instruments division. Following the Group's divisional realignment in 2019, he has led both the Chemical, Process & Industrial and the Water & Power divisions. Kiet has nearly two decades' worth of experience working as a senior executive for world-leading industrial companies, beginning his career at IMI plc before moving on to Trelleborg. He has a Master's Degree in Mechanical Engineering from the University of Birmingham.

External appointments
None

Ben Peacock (51)
Chief Financial Officer

Appointed to the Board
March 2024

Skills, competencies and experience
Ben was appointed as CFO in March 2024, bringing with him extensive experience in financial leadership, strategic planning and corporate governance. Prior to joining Rotork, Ben played a key role at The Weir Group PLC for 10 years, most recently as Vice President, Finance & IT for the Minerals Division. In this role, Ben was instrumental in shaping financial strategy, optimising operational efficiency, and driving digital transformation initiatives to enhance business performance. Prior to his tenure at Weir, Ben held finance roles at Vodafone Group plc and Intel Corporation. Ben is CIMA qualified and a Fellow of The Association of Corporate Treasurers.

External appointments
None

Board of directors continued

Andrew Heath (62)
Senior Independent Director

Appointed to the Board
April 2024

Skills, competencies and experience
Andrew was appointed Senior Independent Director from 1 January 2025 after originally joining the Board in April 2024. Andrew brings a wide range of experience in delivering transformation and shareholder value in technology-driven businesses. He was the Chief Executive Officer of Spectris plc, prior to its delisting in December 2025. From 2016 to 2018, he was CEO of Imagination Technologies Group plc, having previously served as a non-executive director of that company from 2012. From 2015, he was CEO of Alent plc. Andrew began his career at Rolls-Royce and has an engineering degree from Imperial College and an MBA from Loughborough University.

External appointments
Director of Project Aurora Topco Limited, the principal decision-making board for the Spectris Group

Svein Richard Brandtzæg (68)
Non-executive Director

Appointed to the Board
November 2024

Skills, competencies and experience
Svein Richard brings a strong commercial and strategic background in the industrial sector to Rotork having been Chief Executive of Norsk Hydro ASA, a Norwegian aluminium and renewable energy company, from 2009 to 2019. Svein Richard is currently Chair of dormakaba Holding AG and a non-executive director of Mondi plc. He is also Chair of the Council on Ethics for Norwegian Bank Investment Management. He has previously held a number of non-executive positions, including Chair of Veidekke ASA, Vice Chair of Den Norske Bank ASA and Vice Chair of Swiss Steel Holding AG. Svein Richard holds a PhD in Chemistry from the Norwegian University of Science and Technology and is a fellow of the Norwegian Academy of Technological Sciences.

External appointments
Chair of dormakaba Holding AG

Non-executive director of Mondi plc

Chair of the Council on Ethics for Norwegian Bank Investment Management

Karin Meurk-Harvey (60)
Non-executive Director

Appointed to the Board
September 2021

Skills, competencies and experience
Karin has an international background in engineering, technology and telecoms spanning over 30 years, adding commercial expertise to Rotork's Board, particularly in high-growth technology/digital markets. Most recently, Karin was Chief Commercial Officer of Smart DCC Ltd, a provider of smart meter communication network solutions. Karin joined Smart DCC from Vodafone, where she spent five years as Vodafone's Global Vice President for IoT, Cloud and Security. Between 1996 and 2013, Karin held a number of senior roles with Ericsson and has also served as a non-executive director of Korala Associates Ltd, a privately owned ATM software business.

External appointments
None

Vanessa Simms (50)
Non-executive Director for Workforce Engagement

Appointed to the Board
June 2024

Skills, competencies and experience
Vanessa brings extensive financial expertise to the Rotork Board, together with experience across a diverse range of industries, including real estate, renewable power generation, medical devices and telecommunications. Vanessa is currently Chief Financial Officer at Land Securities Group plc and was formerly Chief Financial Officer at Grainger plc. Prior to this Vanessa was Deputy Chief Financial Officer at Unite Group plc and UK Finance Director at SEGRO plc. Most recently, Vanessa was an independent non-executive director at Drax Group plc. Vanessa is a Chartered Certified Accountant.

External appointments
Chief Financial Officer of Land Securities Group plc

Janice Stipp (66)
Non-executive Director

Appointed to the Board
December 2020

Skills, competencies and experience
Janice brings highly relevant sectoral and financial expertise to the Rotork Board, together with a global perspective, particularly of the US and Asia. Janice is currently non-executive director and Audit Committee Chair of Diploma PLC, a distribution group. She is also non-executive director of ArcBest Corporation. Janice was formerly Senior Vice President and Chief Financial Officer of Rogers Corporation, a US speciality engineered materials technology and manufacturing company. Prior to this, Janice held senior financial positions in various international manufacturing and engineering companies. Janice is a member of the American Institute of Certified Public Accountants.

External appointments
Non-executive director and Audit Committee Chair of Diploma PLC

Non-executive director of ArcBest Corporation

Governance highlights

Key Board activities during 2025

Advancing the Growth+ strategy	Deep dives into Target Segments and key business functions	Oversight of Rotork's capital allocation policy	Monitoring Rotork's cultural DNA	Promoting diversity, inclusion and equal opportunity and ensuring strong succession	Overseeing the sustainability framework
Continued oversight and monitoring of the implementation of Rotork's Growth+ strategy, which is designed to drive growth through a focus on Target Segments, Customer Value and Innovative Products and Services.	In addition to the annual strategy meeting, the Board undertook focused strategic deep dive reviews into each of the Target Segments (a key pillar of the Growth+ strategy) and the key business functions that support the delivery of the Growth+ strategy.	Review of Rotork's capital allocation policy to ensure its continued appropriateness. Regular review of Rotork's capital requirements, in line with our capital allocation policy to ensure that the priorities of organic investment in the business, a progressive dividend policy, acquisitions and a return of cash to shareholders remain balanced and appropriate.	2025 represented an important year in Rotork's cultural journey. The Board reviewed how Rotork's cultural DNA and underlying behaviour framework were aligned with its purpose, values and Growth+ strategy. Following the launch of the new cultural DNA and behaviours, the Board closely monitored how these were being embedded within the organisation.	The Board remains committed to maintaining a culture that promotes diversity, inclusion and equal opportunity. The Board ensures orderly succession plans are in place for both the Board and the Rotork Management Board, and this is overseen by the Nomination Committee.	Overseeing the continued implementation of Rotork's sustainability initiatives, including the implementation of energy efficiency projects, investment in on-site renewable energy and progress towards Rotork's SBTi-aligned goals.
2025 Revenue growth: **3.7%** **2025 Adjusted operating margin:** **24.6%**	**Deep dive sessions at Board meetings:** **11**	**Total dividend for 2025:** **8.30p per ordinary share**	**Whole Board, Chair or non-executive director site visits:** **8** **Total invested in M&A, dividends and share buybacks in 2025:** **£167m**	**Board female representation as at 31 December 2025:** **50%** **Board ethnicity as at 31 December 2025:** **25%** **Average non-executive director tenure:** **2.8 years**	**Commitment to net-zero by:** **2045** **2030 target to reduce Scope 1 and 2 (market-based) emissions by:** **42%**[1]

UK Corporate Governance Code 2024 – corporate governance compliance statement

It is the Board's view that for the financial year ended 31 December 2025, the Company complied with the principles of the UK Corporate Governance Code 2024 (the 2024 Code).

The Company's external auditor, KPMG LLP, is required to review whether this statement reflects the Company's compliance with the provisions of the 2024 Code specified for its review by UK Listing Rule 6.6.20R and to report if it does not reflect such compliance. No such report has been made.

The Board notes that Provision 29 of the 2024 Code applies to the Company with effect from 1 January 2026.

The 2024 Code and Code Guidance are publicly available on the Financial Reporting Council's website at www.frc.org.uk.

Task Force on Climate-related Financial Disclosures – statement of compliance

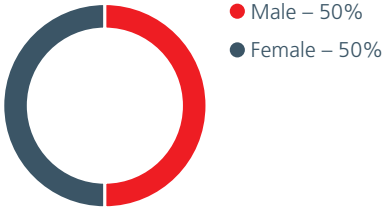
Rotork's statement of compliance in implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), required to be made under UK Listing Rule 6.6.6R(8), is set out on page 68.

1 A stretch target of a 60% reduction in Scope 1 and 2 (marked-based) emissions by 2030 against the 2020 base year was set in 2026.

Board at a glance

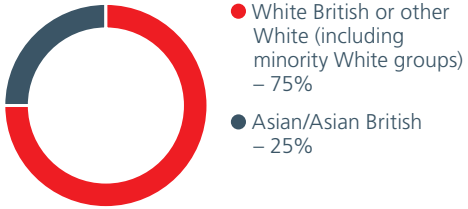
Board composition

Board gender identity or sex as at 31 December 2025



Female Board representation continues to exceed the target set under the UK Listing Rules and DTRs of 40% female representation on boards by 2024. We meet the UK Listing Rule requirement that a senior position on the Board be held by a woman, as Dorothy Thompson is Chair of the Board.

Board ethnic background as at 31 December 2025



Asian/Asian British representation continues to exceed the Parker Review recommendation for FTSE 250 companies for at least one ethnically diverse Board member by 2024.

Director changes

With effect from 1 January 2025, Andrew Heath was appointed as Senior Independent Director, Svein Richard Brandtzæg was appointed as the Chair of the Remuneration Committee and Vanessa Simms was appointed as designated Non-executive Director for Workforce Engagement. There were no further director or Board composition changes during 2025.

Karin Meurk-Harvey will step down from the Board at the conclusion of the Company's AGM on 1 May 2026.

Directors' skills and experience matrix

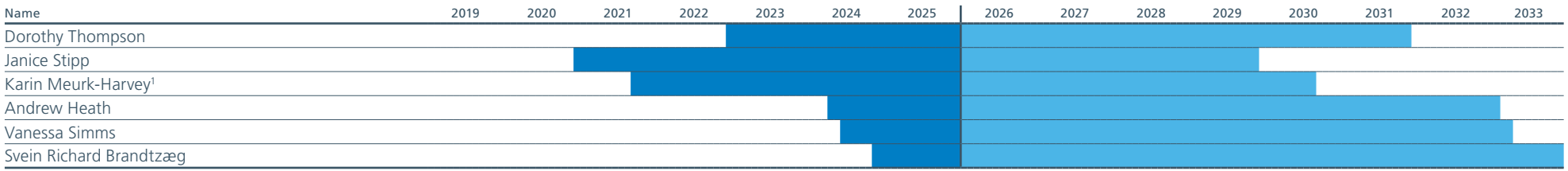
The matrix below details the directors who were appointed as at 31 December 2025 including whether they are considered independent. It also outlines the skills and experience that each brought to the boardroom in driving Rotork's long-term success and supporting its core purpose of keeping the world flowing for future generations. Complementary to such skills is diversity in approach and thinking styles, which results from the varied backgrounds and experiences of the directors. This is covered more fully in the individual biographies on pages 82 and 83.

Independence/skills and experience	Kiet Huynh	Ben Peacock	Dorothy Thompson[1]	Andrew Heath	Svein Richard Brandtzæg	Karin Meurk-Harvey	Vanessa Simms	Janice Stipp
Independence			●	●	●	●	●	●
Listed CEO/CFO experience	●	●	●	●	●		●	●
Sector experience[2]	●	●	●	●	●			
Engineering and innovation	●			●	●	●		●
Operations	●	●	●	●	●	●	●	
International	●	●	●	●	●	●		●
Health and safety	●		●	●	●	●		
Finance and banking		●	●	●			●	●
Strategy and M&A	●	●	●	●	●	●	●	●
Sustainability			●	●		●	●	●
Digital, cyber and technology	●	●				●	●	●

1 Dorothy Thompson was considered independent upon appointment.

2 Sector experience means experience in the flow control sector together with the oil & gas, chemical, process & industrial, and water & power sectors, being Rotork end markets.

Chair and non-executive director Board tenure as at 31 December 2025



1 Karin Meurk-Harvey will not stand for re-election at the 2026 AGM.

Our governance framework – the Board, Board Committees and Rotork Management Board

The Board

The Board is accountable to shareholders for the long-term sustainable success of the Group. This is achieved through setting Rotork's strategy and priorities and overseeing their delivery in a way that enables sustainable long-term growth. It does this while maintaining a balanced approach to risk within a framework of effective internal controls and taking into consideration the interests of our diverse range of stakeholder groups. The Board also oversees alignment of Rotork's purpose, vision, cultural DNA and risk with the Growth+ strategy.

Board Committees[1]

The Board is supported by its principal Board Committees. Each is responsible for overseeing and making recommendations to the Board on their respective specialist areas, as set out below and within their respective Committee reports.

Audit Committee

Janice Stipp, Committee Chair

Assists the Board with the discharge of its responsibilities in relation to financial and narrative reporting. This includes reviewing the Group's annual and half-year financial and non-financial statements and accounting policies, internal and external audits and risk management and internal controls.

Read more in the Audit Committee Report on page 110

Nomination Committee

Dorothy Thompson, Committee Chair

Keeps the composition, structure, size of, and succession to the Board and its Committees under review. Oversees succession planning for the Board and the Rotork Management Board and leads the process for all Board appointments. Evaluates the balance of skills, knowledge, experience and diversity on the Board.

Read more in the Nomination Committee Report on page 115

Remuneration Committee

Svein Richard Brandtzæg, Committee Chair

Recommends the Group's policy on executive remuneration, determining the levels of remuneration for executive directors, the Chair and the Rotork Management Board. Oversees remuneration and workforce policies and takes these into account when setting the policy for directors' remuneration.

Read more in the Directors' Remuneration Report on page 119

Safety and Sustainability Committee

Andrew Heath, Committee Chair

Oversees the implementation of Rotork's safety and sustainability strategies in line with its sustainability vision and purpose of keeping the world flowing for future generations.

Read more in the Safety and Sustainability Committee Report on page 106

Rotork Management Board

Led by Kiet Huynh, Chief Executive Officer, the Rotork Management Board is the executive committee of Rotork below Board level.

Responsibilities

The Rotork Management Board is responsible for facilitating and ensuring the development, implementation and execution of the Growth+ strategy (set by the Board) through the day-to-day operational and functional management of the business.

1 In addition, the Disclosure Committee of the Board oversees the disclosure of market sensitive information and other public announcements.

Our governance framework – roles of directors on the Board and the Rotork Management Board

The Board

The Board is comprised of the Chair, executive directors and independent non-executive directors, supported by the Group General Counsel & Company Secretary.

Non-executive Chair

Dorothy Thompson

Leads the Board and sets its agenda; facilitates constructive Board relations; promotes a culture of openness and debate; sets high standards of integrity and ensures effective governance is maintained; supports and guides the CEO; oversees Group performance; represents the Company; and leads relations with shareholders to understand their perspectives.

Senior Independent Director

Andrew Heath

Provides a sounding board for the Chair and acts as an intermediary for other directors and shareholders; leads the annual performance review of the Chair; and ensures the orderly succession of the Chair's role.

Chief Executive Officer

Kiet Huynh

Overall management of the Group and leadership of the Rotork Management Board; delivers the Group strategy; leads operational management, business development and growth opportunities; influences and develops succession plans; and manages investor relations.

Chief Financial Officer

Ben Peacock

Reports to the Board on the Group financial performance; supports the CEO in delivering the Company strategy and in managing investor relations; implements Board decisions; oversees the application of the capital allocation policy; and is responsible for compliance with financial policy and controls.

Non-executive directors

Svein Richard Brandtzæg
Andrew Heath
Karin Meurk-Harvey
Vanessa Simms
Janice Stipp

Provide independent oversight, judgement and challenge to the executive directors on delivery of the Company's strategy within the agreed control framework and governance structure; and ensure balance in the Board's decision-making process.

Designated Non-executive Director for Workforce Engagement

Vanessa Simms

Provides an effective engagement mechanism for the Board to understand the views of the workforce; brings the views and experiences of the workforce into the boardroom; and ensures that the views of the workforce are considered in the Board's decision making.

Group General Counsel & Company Secretary

Stuart Pain

Advises the Board on legal and corporate governance matters and supports the Board in applying the 2024 Code, complying with UK listing obligations and other statutory and regulatory requirements; and ensures Board members have access to the information they need.

Rotork Management Board

Members of the Rotork Management Board attend Board meetings by invitation to provide updates on operational matters and liaise with the Board outside of the formal meetings. The current members of the Rotork Management Board are listed below.

Kiet Huynh – Chief Executive Officer
Ben Peacock – Chief Financial Officer
Keith Barnard – Managing Director, Oil & Gas
Metin Gerceker – Managing Director, Water & Power
Chris Klasner – Operations Excellence Director
Xin Man – Managing Director, Chemical, Process & Industrial
Lyndsey Norris – Business Transformation Director
Beatriz Rodriguez Gomez – Group Chief Human Resources & Sustainability Officer
Stuart Pain – Group General Counsel & Company Secretary
Ross Pascoe – Chief Technology Officer
Mike Pelezo – Director, Rotork Service

Insight into the boardroom

An insight into the breadth of matters discussed by the Board during the year is set out below:

	Strategy and sustainability	Financial	Operational	People and organisational	Risk, governance, legal, compliance and investor relations
Key Board activity	• Regular deep dives into Growth+ strategic initiatives with focus on target markets • M&A strategy • Acquisition pipeline and proposals • Opportunities to accelerate growth • Off-site strategy meeting • Progression of sustainability strategy in line with Rotork's three strategic pillars	• Regular financial performance updates • Full year, half year and trading updates • 2026 budget • Cash flow, liquidity, going concern and long-term viability • Capital allocation, including share buyback programme considerations	• Health and safety • Divisional and functional reviews • Supply chain and geopolitical risk assessment • ERP platform rollout update • Capital expenditure and investment • New product development • Tour of the Bath Factory	• People and culture updates • Employee engagement survey • Succession planning • Board Diversity and Inclusion Policy • 2026 remuneration Policy • Gender pay gap • Employee voice in the boardroom	• Full and half year risk reviews, including principal and emerging risks • AGM matters, including share allotment authority resolutions and director election and re-elections • Speak Up reports • Litigation review • Modern Slavery Statement • Internal Board performance review • Annual review of Committees' terms of reference and matters reserved for the Board • Preparedness for Provision 29 of the 2024 Code and regulatory updates
Outcomes	• Effective monitoring and oversight of the implementation of the Growth+ strategy and awareness of end market development • Investment in growth initiatives • Continued monitoring of science-based emissions reduction targets according to current agreed methodology • Acquired Noah Actuation, which completed 12 March 2025 • Disposal of two non-core businesses in March 2026	• Continued active dialogue and relationship building with investors and investment community • Publication of Annual Report and Accounts • Progressive final and interim dividends • A £50m share buyback programme completed in 2025, with a second share buyback programme of up to £50m commenced • Reaffirmation of capital allocation policy and funding position • Publication of tax strategy	• Effective Board oversight of operations and execution of Growth+ strategy with feedback to management • Continued progress of ERP implementation across the Group • Greater understanding of new product development process and pipeline • Launch of RTP-4000 intelligent valve positioner range and IQ3 Perform	• Strategic direction on culture initiatives • Board endorsement of people strategy with continued investment in learning, career and leadership development • Rollout of leadership development programme and manager development programmes • Gender and ethnicity pay review • Continued support for employee share ownership	• Oversight of risk appetite for all risks and approval of the principal and emerging risks and risk appetite for inclusion in the 2025 Annual Report • Continued active dialogue with shareholders and investment community • All 2025 AGM resolutions approved in the range of 88.95% to 99.99% • Board oversight of functional support to business operations • Publication of annual Modern Slavery Statement • Focus areas from 2025 internal Board performance review identified • Updated Committee terms of reference published on corporate website • Oversight of the Audit Committee's preparation for Provision 29
Key stakeholder groups considered	CU I E S CO	CU I E S	CU I E S	I E	CU I E S CO
Links to strategy					

Key stakeholder groups

CU Customers I Investors E Employees S Suppliers CO Communities

Links to strategy

Target Segments Customer Value Innovative Products and Services

Board leadership

The Board is responsible for determining the Company's strategy, purpose, vision and cultural DNA, reflecting in particular the generation of long-term value for shareholders and Rotork's role in ensuring a sustainable future.

It oversees the execution of the Growth+ strategy by management and the governance and control framework that underpin it. The Board is assisted by its principal Board Committees (Audit, Nomination, Remuneration, and Safety and Sustainability), each of which is responsible for reviewing and dealing with matters within its terms of reference. The activities and decisions made at each Committee meeting are reported at the subsequent Board meeting.

The Board's off-site strategy meeting was held in October in Bath (United Kingdom). At it, the Board reviewed in detail the ongoing progress of the implementation of Rotork's Growth+ strategy, which completed its fourth full year of implementation in 2025. More details on the Growth+ strategy and the Company's business model are covered on pages 12 to 15 and page 18 of the Strategic Report. The Board remains confident that the necessary resources are in place for the business to continue to deliver its strategic objectives.

The Board is also responsible for the review and oversight of the effective management of risk, while delegating oversight of the control framework to the Audit Committee. The Board has been kept fully updated on the detailed work being undertaken by the Audit Committee as part of the Company's preparation for Provision 29 of the 2024 Code, which applies to Rotork's accounting period commencing 1 January 2026. The Board rigorously challenges strategy, performance, responsibility and accountability to ensure that decisions are made effectively and in the long-term interests of the business.

In its duty to promote the long-term success of Rotork, the Board recognises that its responsibilities extend not only to the creation of value for its shareholders but also to the Company's wider stakeholders, including employees, customers, suppliers and the communities in which it operates. In doing so, the Board actively sought to understand the views of these key stakeholder groups and the impact of its decisions on them. Pages 100 to 105 describe how their interests have been considered at Board-level discussions.

Division of responsibilities

All the non-executive directors have the appropriate skills, experience in their respective disciplines and characteristics to bring independence and objective judgement to Board discussions. As well as acting as Board Chair, Dorothy Thompson chairs the Nomination Committee. As the Senior Independent Director throughout 2025, Andrew Heath provided a sounding board for the Chair in addition to acting as an intermediary for other directors and shareholders. In December 2025, as a component of the internally facilitated Board performance review, the remaining non-executive directors met with the Senior Independent Director, without the Chair present, to appraise the Chair's performance. Further details of the review can be found on page 96.

Janice Stipp chairs the Audit Committee. Andrew Heath chairs the Safety and Sustainability Committee. Svein Richard Brandtzæg chairs the Remuneration Committee. Vanessa Simms is Rotork's designated Non-executive Director for Workforce Engagement. Details of the work undertaken by Vanessa in fulfilment of this role during 2025, alongside the employee engagement activities of other Board members, can be found on pages 94 and 95 and 102 and 103.

Private meetings of the non-executive directors are held at each Board meeting. Each year the Chair and non-executive directors meet outside of the formal meeting structure, and without the executive directors present, to scrutinise and hold to account the performance of management and individual executive directors.

The roles of the Chair, Senior Independent Director, Chief Executive Officer and Chief Financial Officer as well as the members of the Rotork Management Board are set out in the governance framework on page 87.

Board and Board Committee meetings and Rotork's financial calendar in 2025

	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Board and Board Committee meetings	**Board meeting** Audit Committee Nomination Committee Remuneration Committee Safety and Sustainability Committee		**Board meeting** Nomination Committee	**Board meeting**	**Board meeting** Audit Committee Remuneration Committee Safety and Sustainability Committee		Remuneration Committee	**Board meeting** **Annual Board strategy meeting** Audit Committee Nomination Committee Remuneration Committee Safety and Sustainability Committee		**Board meeting** Audit Committee Remuneration Committee
Financial calendar	Completed acquisition of Noah 2024 full year results	Commenced £50m share buyback	2025 Annual General Meeting Q1 trading update 2024 final dividend paid			2025 half year results	2025 interim dividend paid	Completed £50m share buyback	Q3 trading update Commenced further £50m share buyback	

Responsibilities of the Board

Non-executive director independence

The Chair is committed to ensuring that the Board comprises a majority of independent non-executive directors who objectively support and challenge management on the execution of the Company's strategy.

Rotork maintains clear records of the terms of service of the Chair and non-executive directors to ensure they meet the requirements of the 2024 Code. Neither the Chair nor any non-executive director has exceeded their nine-year recommended term of service. Charts illustrating which directors are considered to be independent and the tenure of the Chair and each non-executive director are set out on page 85.

The Board considers all non-executive directors, Svein Richard Brandtzæg, Andrew Heath, Karin Meurk-Harvey, Vanessa Simms and Janice Stipp, to be independent. Dorothy Thompson, Chair, was considered to be independent on her appointment.

Board effectiveness

Composition

The Board currently consists of eight Board members, six of whom are non-executive directors. As at 9 March 2026, female representation on our Board was 50%, with ethnic diversity representation being 25%.

The Board members come from a variety of professional backgrounds including engineering, manufacturing and finance, and collectively possess significant managerial experience, as well as experience of being executive directors of other public limited companies. A more detailed analysis of Board composition, skills, knowledge and experience can be found on pages 82, 83 and 85. In line with Provision 18 of the 2024 Code, each director who is continuing in service is subject to annual re-election at the AGM.

The Board delegates certain matters to specific Committees for more in-depth consideration, including the Audit, Nomination, Remuneration, and Safety and Sustainability Committees. Each Committee has formal, written terms of reference which are available to download from the Rotork website at www.rotork.com/en/investors/committees and which are reviewed annually. All Committees have at least three independent non-executive directors within their composition. The Company also has a Disclosure Committee. The Group General Counsel & Company Secretary acts as secretary to all the Committees. The number of Board meetings and Audit, Nomination, Remuneration, and Safety and Sustainability Committee meetings held during the year can be found on page 91.

Time commitment

All directors are expected to attend all meetings (whether pre-planned or ad hoc) of the Board and any Committees on which they serve, alongside the Board strategy days and AGM. Directors are also expected to devote sufficient time to prepare for each Board and Committee meeting, in order to contribute effectively to discussions.

By accepting their appointment each non-executive director has confirmed that they are able to allocate sufficient time to the Company to discharge their responsibilities effectively. In accordance with the 2024 Code and the Company's External Board Appointments Policy, directors are also required to seek prior approval from the Board before accepting additional external appointments.

The Chair, through the Nomination Committee under its terms of reference, monitors the time commitment of the non-executive directors. This is in the context of both the roles held internally and external appointments, with no issues identified during the year. The 2025 internally-facilitated Board performance review sought feedback specifically on time commitments, meeting preparedness and contributions by directors. No issues were identified.

Information and support

All non-executive directors are entitled to unfettered access to information and management across the Group. Rotork's executive directors understand the distinction between their roles as executive managers and as Board directors.

The Board has a procedure for directors, if deemed necessary, to take independent professional advice at the Company's expense in the furtherance of their duties. All directors have access to the advice of the Group General Counsel & Company Secretary who supports the Board on legal and corporate governance matters, including compliance with the Company's obligations under the UK Listing Rules and other regulatory or statutory requirements. Together with the CEO and the Group General Counsel & Company Secretary, the Chair ensures that the Board is kept properly informed and is consulted on all issues reserved for it. Board papers and other information are distributed in a timely fashion to allow directors to be properly briefed in advance of meetings.

In accordance with the Company's Articles of Association, directors, as well as the Group General Counsel & Company Secretary, have been granted an indemnity by the Company to the extent permitted by law in respect of liabilities incurred as a result of their office. The indemnity would not provide any coverage where they are proved to have acted fraudulently or dishonestly. The Company has also arranged appropriate insurance cover in respect of legal action against its directors and officers.

Induction and ongoing professional development

When a new director is appointed to the Board, they receive a tailored comprehensive and formal induction. This is to familiarise them with their duties and Rotork's business operations and risk and governance arrangements. New directors are required to quickly absorb a great deal of information about the business to allow them to fulfil their roles effectively from the outset. Our tailored inductions are designed to offer a swift and thorough way to help them understand our strategy, business, markets, products, cultural DNA and relationships. They also aim to establish links between the directors and our senior management and wider workforce. Their interactions with our senior management and wider workforce as part of the induction allow them to gain an insight into our cultural DNA.

To enable continued awareness and understanding of our business and the environment in which we operate, directors are provided regular updates on changes and developments in the Group. Each member of the Rotork Management Board presents a strategic deep dive on their area of responsibility at Board meetings at least annually, and Board members undertook a wide range of site visits during 2025. Over the course of the year, directors will continually update and refresh their skills and knowledge and are able to seek independent professional advice when required.

Corporate governance report continued

Responsibilities of the Board continued

Board effectiveness continued

Conflicts of interest

Procedures are in place to identify and manage declared actual and potential conflicts of interest which directors (or their connected persons) may have and are obliged to avoid these under their statutory duties and the Company's Articles of Association. The Board considers each director's situation and decides whether to approve any conflicts. This is based on the overriding principle that a director must at all times be able to consider and exercise independent judgement to promote the success of the Company. This procedure has operated effectively throughout the year. Authorisations given by the Board are reviewed on an annual basis. No director has declared any material conflicts of interest.

Board meetings

The Board meets regularly during the year as well as on an ad hoc basis, as business needs dictate. The Board met formally six times during the year, with video calls held in other months for updates on key matters relating to trading and financial performance. Attendance at each of the Board and Board Committee meetings during the year is shown opposite. The Chair, Chief Executive Officer and Group General Counsel & Company Secretary agree a structured agenda in advance of each Board meeting. Board activities are designed to help the Board achieve its goals and to provide support and advice to the executive management team on the delivery of strategy within a robust governance framework. Throughout the year, the Board has received regular in-depth progress reports and presentations on current trading and financial performance. It has also received presentations from the Chief Executive Officer, the Chief Financial Officer and the wider executive management team, particularly about implementation updates on our Growth+ strategy and the three pillars contained within it, our business systems and activities to evolve our cultural DNA and the development and feedback of our people. The topics of other regular reports have included health and safety, litigation, ethics, compliance and governance, investor relations activities, tax and treasury policies, environmental and sustainability issues, risk management and internal control and cybersecurity. Board papers are circulated in advance of meetings, to ensure that the directors have sufficient time to consider their content in advance. Should a director be unable to attend a meeting due to exceptional circumstances, they still receive the papers ahead of the meeting and would have the opportunity to discuss with the relevant Chair any matters on the agenda they wish to raise. Feedback is provided to the absent director on the decisions taken at the meeting.

The Chair meets privately with the Senior Independent Director and with the non-executive directors on a regular basis.

Board and Board Committee meeting attendance in 2025

		Board meetings Number of meetings 6	Audit Committee meetings Number of meetings 4	Nomination Committee meetings Number of meetings 3	Remuneration Committee meetings Number of meetings 5	Safety and Sustainability Committee meetings Number of meetings 3
			See Audit Committee Report from p 110 to 114	See Nomination Committee Report from p 115 to 118	See Remuneration Committee Report from p 119 to 146	See Safety and Sustainability Committee Report from p 106 to 109
Current Directors	**Board member since**					
Dorothy Thompson, Chair	December 2022	6/6	—	3/3	—	—
Kiet Huynh, Chief Executive Officer	January 2022	6/6	—	—	—	—
Ben Peacock, Chief Financial Officer	March 2024	6/6	—	—	—	—
Andrew Heath, Senior Independent Director	April 2024	6/6	—	3/3	5/5	3/3
Svein Richard Brandtzæg, Non-executive Director	November 2024	6/6	4/4	—	5/5	—
Karin Meurk-Harvey, Non-executive Director	September 2021	6/6	—	—	5/5	3/3
Vanessa Simms, Non-executive Director	June 2024	6/6	4/4	—	—	3/3
Janice Stipp, Non-executive Director	December 2020	6/6	4/4	3/3	—	3/3

The Board's focus on our cultural DNA

Board members recognise the importance of a healthy and positive culture at Rotork – one that promotes integrity and openness, values diversity and guides responsible and ethical decisions.

The Board is responsible for ensuring that our culture is aligned with our purpose, values and strategy, setting the tone from the top and leading by example. This was a priority for the directors during 2025, given the launch of our cultural DNA and underlying behavioural framework. The launch built on the foundational work completed in 2024 with our people to evolve our culture. More details about activities to define, launch and embed our cultural DNA are set out on pages 16 and 17. Our cultural DNA is: We value our customers, We grow together and We win as a team. Our employees were at the forefront of developing these principles. They shape how we lead, grow and engage our people and customers. They foster behaviours and experiences that drive success. They reflect what makes Rotork unique while laying the foundation for collaboration, innovation and shared success.

The Board actively assesses and monitors our cultural DNA, ensuring that it is properly embedded and promoted throughout the Group. The directors monitor this as part of their considerations at Board meetings. Our purpose, values and cultural DNA are embedded across the business and underpin our business model.

The Board aims to ensure that our cultural DNA and behavioural framework are embedded and integrated into decision making and that policies and procedures (such as the Code of Conduct and Anti-Bribery and Corruption Policy) maintain the behaviours we expect. Where this is not the case, the Board and management team take appropriate action. This is achieved through updates to the Board on, for example, ethics and compliance matters and reports received through our Speak Up hotline. Regular updates provided to the Board by our Group Chief Human Resources & Sustainability Officer on people and culture also support this focus.

We ensure our people, policies and systems are aligned with our cultural DNA and behaviours. We strive to provide fair and equitable treatment, as well as opportunities to grow, learn and progress.

In addition to each of the directors participating first hand in employee engagement activities during 2025, the Board received regular updates from our Group Chief Human Resources & Sustainability Officer on the activities to embed our cultural DNA and the results of our employee engagement survey.

The Board is satisfied that the Company's purpose, values, strategy and culture are all aligned and serve to promote the long-term success of the Group, generating and protecting value for our shareholders and other stakeholders.

Our core purpose of 'keeping the world flowing for future generations', by providing innovative, high-quality, engineered solutions and services for our customers, helps guide our cultural DNA and strategy. We put quality and service at the heart of what we do.

Corporate governance report continued

The Board's focus on our cultural DNA continued

Our Code of Conduct applies to anyone acting on Rotork's behalf, including all permanent employees, temporary workers and contractors. It sets out the principles that underpin and guide the way we conduct business and provides support and guidance in difficult situations. We expect everyone to follow the Code of Conduct and act with integrity at all times. In support of this, we provide mandatory training on our Code of Conduct to all employees. A full version of the Code of Conduct is published on our corporate website at: www.rotork.com/en/sustainability/esg-reports-and-policies/rotork-code-of-conduct.

How the Board monitors culture and how our culture is embedded		Cultural indicators
Health and safety	We have a zero harm vision which applies to our broader agenda of health and safety, environment and product safety.	• 0.24 total recordable incident rate for 2025 (2024: 0.22). • 0.08 lost time injury rate for 2025 (2024: 0.08).
Direct employee engagement	Vanessa Simms, our designated Non-executive Director for Workforce Engagement throughout 2025, brought the employee voice into the boardroom through sharing updates on engagement with our colleagues. This was supplemented by visits to Rotork's sites from the CEO, CFO, the Chair and all other non-executive directors during the year.	• The CEO and CFO remained directly involved in a range of employee engagement activities throughout the year, undertaking site visits or attending town halls with employees at 11 of our sites. • The CEO and CFO also hosted two all-employee town halls, which included a live and interactive Q&A. • Eight site visits were completed by the Chair or non-executive directors globally during 2025, including a whole Board tour of our facility in Bath.
Employee engagement survey	During 2025, we undertook a second consecutive externally managed engagement survey, to enable us to compare employees' feedback and engagement levels with that of our peers. Insights from the survey were shared and teams are working on action plans to drive improvements relevant to them, ensuring both ownership and accountability. The results were reviewed by the Board, alongside a summary of key actions to build improvements.	• 86% employee survey participation rate (2024: 80%). • Our engagement survey results illustrated a year-on-year increase in the level of engagement score, outperforming similar organisations who were also undertaking their second year using the external engagement partner.
Annual strategic deep dive review of Rotork's people, culture and social strategies	Covering workforce insights, organisational effectiveness and areas such as progress on culture, diversity, inclusion and equal opportunity, leadership and engagement, employee mental health and wellbeing, community engagement and support to external charities.	• In our employee engagement survey we included a question asking "My manager consistently role models our DNA & behaviours", which scored 4.08 out of 5.
Compliance with policies and procedures	With the assistance of its Committees, the Board continued to oversee the effectiveness of a number of policies, for example the Code of Conduct, Anti-Bribery and Corruption, Modern Slavery and Supplier Code of Conduct.	• Employees must undertake mandatory training on our key policies, with training completion rates tracked. All employees must sign an annual confirmation of compliance.
Speak Up Whistleblowing hotline	This enables anonymous reporting of improper behaviour to be investigated and appropriate action taken where necessary.	• The number of reports made through the whistleblowing hotline, any trends, and the outcomes of investigations are monitored and reported to the Board.
Diversity, inclusion and equal opportunity	The Nomination Committee annually reviews our policy on diversity and inclusion, its objectives and links to Company strategy, how it has been implemented and the progress on achieving the objectives.	• 50% Board gender diversity as at 31 December 2025. • 25% Board ethnic diversity as at 31 December 2025. • 58% Early Careers Programme diversity in terms of gender and ethnicity. • -1.9% median gender pay gap, in favour of females.

Vanessa Simms
Non-executive Director for Workforce Engagement

Workforce engagement in action

Vanessa's role as designated Non-executive Director responsible for Workforce Engagement helps to ensure an effective engagement mechanism between the Board and employees, meaning that the voice and views of our employees continue to be represented within the boardroom, and employees' interests are more fully considered at all levels of the Board's decision making.

Activities of Rotork's designated Non-executive Director for Workforce Engagement

Vanessa Simms was appointed as Rotork's designated Non-executive Director for Workforce Engagement on 1 January 2025 and led the Board engagement with employees throughout the year.

The Board as a whole recognises that the success of Rotork relies on the quality of our people and a cultural DNA that guides how employees interact with each other and those external to the business.

As part of her role as the Non-executive Director for Workforce Engagement, Vanessa helped to ensure our employees' perspectives were represented in the Board's decision-making process during 2025 by bringing their views and experiences to the boardroom and ensuring their experiences and opinions were considered as Board discussions took place and decisions were made.

Each year, a structured programme of activities involving as many Board members as possible is undertaken. The aim is to ensure sufficient direct engagement between the directors and colleagues outside the line of management. This creates opportunities for feedback and provides a voice for any concerns to the Board, deepens the directors' understanding of the employee perspective and helps them monitor how Rotork's cultural DNA is embedded.

The Non-executive Director for Workforce Engagement is responsible for developing the programme and reviewing progress during the year with the CEO and the Group Chief Human Resources & Sustainability Officer. During 2025, Vanessa also provided ongoing updates to the Board.

In 2025, our approach was to continue the Board's engagement with employees on topics relevant to them and the Company, via direct face-to-face communication with employees in their work environment where possible. Considering the global nature of our workforce and the broad range of roles within that across all levels in the organisation, the programme for 2025 comprised three streams:

- topic-based structured roundtables with colleagues on targeted aspects of the business;
- face-to-face meetings with employees in their work environment to allow for more personal interactions; and
- a review of data, including the outcomes of the employee engagement survey and submissions to our Speak Up hotline.

Topic-based employee engagement

Recognising the importance of direct engagement with employees, during 2025 all Board members were involved in face-to-face targeted roundtables with groups of our employees.

Given how important developing early career talent is at Rotork, Vanessa Simms met with a cross-section of employees at various stages of our Graduate Recruitment Programme – from those who had just started to others concluding their fourth year. This session demonstrated how the programme is successfully equipping future talent with the skills and development needed for workplace success and that our graduates were fully motivated and engaged.

Similarly, Svein Richard Brandtzæg met with a number of our Bath-based employees to talk about engagement and what this means to them. The session highlighted how our culture continues to evolve and that there is clear engagement, a focus on the customer and development opportunities integrated into the business, providing insightful reflections.

Corporate governance report continued

Workforce engagement in action continued

Face-to-face employee engagement with our Board

During 2025 all Board members were involved in face-to-face direct engagement with our employees. The Board regularly visits our head office site, in Bath. As an additional component of their strategy session in October 2025, the Board members completed a tour of the Bath facility, which provided an opportunity for the directors to directly engage with employees in their usual working environment at the facility and understand their views and experiences first hand. The CEO and CFO remain directly involved in a range of employee engagement activities throughout the year, undertaking site visits or attending town halls in person to engage with employees at 11 different Rotork sites globally during 2025. They also hosted two all-employee global townhalls during the year, which each included an interactive live Q&A. In addition, our Chair and non-executive directors visited other Rotork sites globally. Individually, eight site visits were undertaken, including the tour of our facility in Bath. Dorothy Thompson visited our sites in both Winston-Salem (USA) and Bath, during which Dorothy toured the facilities and met with a variety of teams from different functions. Andrew Heath visited both our office in Shanghai (China) and the Noah site in South Korea, which joined the Rotork Group in March 2025. As part of both visits, Andrew was able to participate in a range of topic-based presentations, undertake tours and join specific employee engagement-focused sessions with a wide range of employees. Andrew Heath and Vanessa Simms visited our Manchester (UK) site, completing a factory tour and meetings with local leaders. Svein Richard Brandtzæg and Karin Meurk-Harvey visited our Falun site in Sweden. Janice Stipp visited our site in Chile, meeting local leaders and employees, and Janice also visited the site of one of Rotork's customers to engage with them first hand.

In addition, Vanessa Simms and Svein Richard Brandtzæg undertook an employee engagement-focused visit to our Bath site in October, taking part in focus sessions on our cultural DNA.

The Board found its wide range of global site visits very valuable and thanks all the colleagues with whom they met for their warm welcome and engagement. During the visits and sessions, we committed to maintaining complete confidentiality and non-attributable feedback from employees, ensuring that all comments were only shared with management (when necessary) and discussed during Board meetings. Due to the nature of their work and roles, special attention was given to engaging with employees who may not be easily reached through other channels, such as email. After each meeting, Board members summarised the key themes in a report and provided debriefs to local or senior management to consider the insights and any resulting actions.

Overall, Board members praised the quality and dedication of our employees and noted the positive feedback they gave and increased engagement levels experienced following the evolution of the cultural DNA and underlying behaviours. These engagements have reinforced our commitment to a cultural DNA that is transparent and inclusive, ensuring that all voices are heard and valued (including within the boardroom) as we continue to grow and evolve.

Data including employee surveys and whistleblowing

Employee engagement is a crucial measure for the success of our organisation; receiving direct feedback from employees is essential to understand what is working well and where we should focus on improving. As part of each employee engagement survey, we ask all employees to anonymously provide their views. We then measure engagement scores.

For the second consecutive year in 2025, the employee engagement survey was facilitated by an externally managed platform. This has enabled us to measure progress and benchmark our engagement levels against other peers. Building on the activities to embed our new cultural DNA over the course of 2025, we were pleased to see a significant increase in the participation rate for the survey in 2025, which rose to 86% (2024: 80%). Feedback from the survey was shared with teams and bespoke action plans have been created to drive continual improvements, while also ensuring ownership and accountability for actions within plans amongst our teams.

Our employees also previously asked for further investment in the development of our people managers and leaders and their own career development and growth. Our Business Manager Programme was introduced to support the learning and development of our leaders globally. The programme has also been one of the routes through which we continue to embed our cultural DNA and behaviours. As we move into 2026, we will continue to develop all our employees through targeted global development and learning events, underpinning our DNA, and continue to evolve our approach to managing and developing our talent.

The Board will continue to review employee-related data, including whistleblowing, through our confidential Speak Up hotline.

Board performance review

Annual Board performance review

In accordance with the 2024 Code, the Board undertakes a formal and rigorous annual review of its own performance and that of its committees and directors. The purpose of the review is to ensure key areas such as the Board's composition, expertise, interaction, management, key decision-making processes and meeting focus and prioritisation continue to be assessed and developed.

2025 internal Board performance review

During 2025, Dorothy Thompson, as Board Chair, with the guidance and support provided by the Group General Counsel & Company Secretary, undertook an internal review of the performance and effectiveness of the Board and its Committees. The process began in October, with the Chair and Group General Counsel & Company Secretary agreeing on appropriate key themes and topics and curating tailored online and anonymous questionnaires for the Board as a whole and each Board Committee. The questionnaires also sought feedback on the focus areas that were agreed upon by the Board for implementation during 2026. The Group General Counsel & Company Secretary collated and analysed the results and discussed them with the Chair. The Chair also sought informal feedback from each of the directors. Feedback and recommended focus areas for 2026 were presented to the December 2025 Board meeting for consideration. Subsequently, the Board agreed an action plan for implementation in the year ahead, which is summarised in the adjacent column.

Outcome and actions for 2026

The 2025 Board performance review demonstrated that the Board and its Committees were operating effectively and remained focused on the appropriate matters during the year. The key areas identified by the internal review for increased focus and development during the forthcoming year are set out below:

- continue to provide relevant training for the Board and its Committees on regulatory developments, legislative changes and reporting requirements;
- continue the Board's focus and oversight of Rotork's cultural DNA, and how the evolving culture is being embedded within the organisation; and
- continue to incorporate insights on customers, competitors and suppliers.

Progress against these areas will be reviewed as part of the 2026 Board performance review and reported on in next year's Annual Report.

Rotork's last externally facilitated Board performance review was undertaken in 2023; therefore, in line with the requirements of the 2024 Code, an externally facilitated performance review will be undertaken during 2026.

Chair's performance review

Led by Andrew Heath, as the Senior Independent Director, an internally facilitated review of the Chair's performance was completed at the end of 2025. Andrew Heath and the Group General Counsel & Company Secretary worked together to agree the areas on which to focus and produced an online and anonymous questionnaire. The questionnaire was further supported by a private meeting held between Andrew and the non-executive and executive directors. It was concluded that Dorothy Thompson's performance and contribution remained consistently strong during her full third year as Chair. It was agreed that Dorothy continued to demonstrate overall effective leadership of the Board and continued to promote and facilitate constructive debate within the boardroom. Feedback from the review was shared with Dorothy. In line with the wider Board performance review plans, the 2026 Chair's performance review will be externally facilitated.

Audit, risk and internal control

While maintaining overall responsibility, the Board delegates the establishment of formal and transparent policies and procedures relating to independence and effectiveness of the internal and external audit functions to the Audit Committee. The Audit Committee scrutinises the integrity of financial and narrative statements and considers whether the assessment of Rotork's position and prospects is fair, balanced and understandable and then recommends these statements to the Board for approval.

A risk dashboard is presented by management to the Board twice a year. This includes a set of key risk indicators which provide a means of monitoring the Group's risk exposures. It also highlights areas where the Group exceeds, or may potentially exceed, the risk appetite defined by the Board. Biannual reporting is supplemented, as necessary, by more detailed reporting to the Board by the executive management team on new, emerging or evolving risks, the effectiveness of existing mitigations and plans to further strengthen mitigations.

The Risk and Compliance team, led by the Head of Risk and Compliance, monitors the effectiveness of risk management across the Group. The team is responsible for supporting the Group to identify risks and put in place appropriate mitigations, promoting a risk-aware culture and adherence to risk appetite and reporting on the status of principal and emerging risks periodically. The Risk and Compliance team operates a practice of peer internal financial control reviews. These involve experienced professionals from across the business, who have received specialised training from the Risk and Compliance team, performing business control reviews at different entities within the Group, the results of which are then reported to the Audit Committee. An experienced member of the Risk and Compliance team is dedicated to our ongoing programme to transition to a cloud-based ERP platform, to ensure appropriate monitoring of the implementation of controls. PricewaterhouseCoopers LLP (PwC) leads the Group's third line of defence through the provision of an independent internal audit function.

The Board is satisfied that the main roles and responsibilities of the Audit Committee, as set out in Provision 25 of the 2024 Code, are captured within the Committee's terms of reference.

Further details of how the roles and responsibilities of the Audit Committee have been discharged during 2025 are set out on pages 110 to 114

The Board is required to carry out a robust assessment of the Company's emerging and principal risks. A summary of the assessment undertaken by the Board and a description of the principal risks and procedures in place to identify and manage the emerging risks can be found on pages 60 to 66.

Risk management and internal controls

The Board is responsible for Rotork's system of risk management and internal controls. The Board's annual review of the system's effectiveness is completed with the assistance of the Audit Committee, as per the Committee's terms of reference.

During 2025, the Board and Audit Committee regularly considered matters relating to the Group's risk management and internal control systems. This year, areas which received particular focus were:

- the effectiveness of internal controls;
- oversight of the continued development of the Business Control Framework and deployment of enhanced controls within the new cloud-based ERP system implementation; and
- the Committee's oversight of preparation for Provision 29 of the 2024 Code becoming effective for the Company with effect from 1 January 2026.

During 2025, the Audit Committee maintained oversight of management's ongoing implementation of enhanced controls in relation to the new cloud-based ERP system as they were incorporated into the blueprint for future deployments.

More broadly, the effectiveness of the risk management and internal control systems continues to be directed, monitored and reviewed by the Audit Committee. The Audit Committee has reviewed the effectiveness of the key elements of the Group's systems of risk management and internal controls, which were in place for the year under review.

Main features of the Group's risk management process

The Board is responsible for establishing and maintaining an effective risk management and internal control framework. It is also responsible for determining the nature and extent of the risks the Company is willing to take to achieve the Group's strategic objectives.

Rotork's Risk Management Policy documents the Group's risk management processes and the connections between such processes and the day-to-day operations of the Group. Each member of the executive team who is a designated risk owner has responsibility for producing and updating detailed mitigation plans to respond to the risks in accordance with risk appetite. Progress on response plans is reported to the Board, as part of the Board's effective risk management review and oversight process.

Risk appetite is expressed through a number of risk dimensions and risks are monitored and reported. A risk dashboard is presented to the Board twice a year. It constitutes a set of key risk indicators, which provide a means of monitoring the Group's risk exposures and allows the Board to focus in more detail on risks where the Group exceeds, or may potentially exceed, risk appetite.

An established divisional and functional risk review process results in a bottom-up assessment of enterprise-wide risks. These risks are consolidated before a top-down evaluation is performed by management, which is then presented to and reviewed by the Board. The bottom-up assessment process includes a review with all central functions and commercial and operations teams, a focus on risk mitigation reporting, and development of plans to respond to risks in accordance with the Board's risk appetite. This process is formally completed twice a year. Further details of the Group's risk management and internal control framework, the process for identifying, evaluating and managing the principal risks faced by the Group during 2025, identifying and managing emerging risks, and the Board's risk appetite are set out on pages 60 and 66.

Main features of the Group's internal control systems

Audit Committee papers and meeting minutes are made available to Board members who are not members of the Audit Committee, unless in the opinion of the Committee Chair it would be inappropriate to do so. The meeting papers detail the Audit Committee's annual review of the assessment of the effectiveness of the Group's risk management and internal control systems. The Chair and executive directors are invited to attend Audit Committee meetings with other members of the senior leadership team presenting or attending as necessary. In addition, a dedicated Board risk review session is held each year.

Key elements of the control environment, which form part of the review of the effectiveness of risk management and internal control, and which enable Rotork to respond appropriately to all types of business risks, include:

- our Business Controls Framework, alongside our accounting policies and procedures;
- the Rotork cultural DNA and underlying behaviours;
- the Code of Conduct (and mandatory training on the Code) supported by Group-wide policies and procedures, including authority levels and division of responsibilities;
- mandatory training provided to employees throughout the year on policies and procedures relevant to their roles;
- ongoing monitoring of business performance, including key risk indicators;
- annual Confirmation Statement confirming employees' compliance with policies;
- ongoing monitoring of internal audit and business control reviews;
- a formal schedule of reserved matters for the Board, including responsibility for reviewing Group strategy;
- a formal Whistleblowing Policy, with an external whistleblowing hotline (our Speak Up hotline), with key matters reported to the Board; and
- defined controls and assurance processes over, for example, financial reporting and health and safety procedures.

Remuneration

The responsibility for determining remuneration arrangements for the Chair, executive directors and senior management, as well as oversight over workforce remuneration, has been delegated to the Remuneration Committee. It was chaired by Svein Richard Brandtzæg during 2025 and met five times throughout the year.

Rotork's remuneration policies and practices are designed to support its strategy and promote the long-term sustainable success of the Company.

A description of the work undertaken by the Remuneration Committee in 2025 can be found on pages 119 to 146

Our Section 172(1) statement

The Board confirms that during 2025 it has acted in the way that it considered, in good faith, would be most likely to promote the long-term success of the Company for the benefit of its members as a whole, and in doing so has had regard to the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006.

Board engagement with stakeholders

The Board engages directly with our employees and shareholders; however, it is also kept regularly updated on engagement with other stakeholder groups. This is through a combination of reports from the executive directors and members of the Rotork Management Board to understand the views of key stakeholders on day-to-day operations. The information set out below and on pages 100 to 105 outlines the ways in which the Board and the Company have engaged with key stakeholders during the year, alongside the methods of engagement and outcome of that engagement.

How the Board ensures stakeholder engagement is effective

The Board use a number of routes to ensure effective engagement with stakeholders including:

- oversight of our purpose, strategy, values, and cultural DNA;
- consideration of key principal and emerging risks to the business and mitigating actions taken;
- oversight of employee wellbeing and resourcing, alongside oversight and involvement in activities related to the embedding of Rotork's cultural DNA;
- dedicated section within Board papers setting out the likely impact of the proposed recommendation on relevant stakeholders; and
- review of the more granular engagement undertaken by the Rotork Management Board and Board members.

While it is not always possible to meet the preferences of all stakeholders (whose interests may diverge), the Board aims to ensure that all relevant factors are considered before it takes a decision.

Other examples of how the Board has considered stakeholder interests and Section 172(1) matters are included within the section describing the Board's focus on Rotork's cultural DNA on pages 92 and 93 and workforce engagement in action on pages 94 and 95.

How the Board considered stakeholders' interests as part of its key Board activities during 2025

Strategy and sustainability	• Consideration of the balance of differing stakeholders' needs and expectations in delivering long-term sustainable value and Rotork's Growth+ strategy. • Review of governance and oversight of Rotork's sustainability strategy in the long-term interests of stakeholders.
Financial	• Investor engagement around full year, half year and trading updates, given Rotork's commitment to upholding good governance practices to protect the long-term interests of all stakeholders. • Consideration of employees' interests.
Operational	• Consideration of stakeholders' interests in the drive to improve efficiency and ultimately deliver an enhanced customer experience and Customer Value in a safety-conscious environment of 'zero harm'. • Consideration of geopolitical risks that impact the supply chain to protect stakeholders' long-term interests.
People and organisational	• Employee engagement activities by our CEO, CFO and wider management and taking account of the concerns and views expressed by our colleagues. • Engagement with employees by our designated Non-executive Director for Workforce Engagement and all other non-executive directors. • In setting the tone from the top, the consideration of employees' interests and understanding the value of having a diverse and inclusive workforce.
Risk, governance, legal, compliance and investor relations	• Review of the status of key risks to the business and mitigating actions taken to protect stakeholders' long-term interests. • Consideration of stakeholders' interests while supporting the Growth+ strategy, including direct engagement with shareholders to seek their views. • Consideration of employees' interests within the business and within the supply chain relating to preventing modern slavery. • Consideration of best practice governance procedures to protect long-term interests of all stakeholders.

Our Section 172(1) statement continued

Section 172(1) factor	Relevant disclosure	Annual Report page number
a. The likely consequences of any decision in the long term	• Chief Executive Officer's Statement	See page 8
	• Chair's Statement	See page 6
	• Business model	See page 18
	• KPIs	See page 19
	• Investment case	See page 5
	• Insight into the boardroom	See page 88
	• Stakeholder engagement	See page 100
	• Sustainability Review	See page 28
b. The interests of the Company's employees	• Stakeholder engagement	See page 100
	• Evolving our culture	See page 16
	• People and culture	See page 50
	• Diversity and inclusion	See page 52
	• Non-Financial and Sustainability Information Statement	See page 76
	• Chair's Statement	See page 6
	• The Board's focus on Rotork's cultural DNA	See page 92
	• Directors' Remuneration Report	See page 119
c. The need to foster the Company's business relationships with suppliers, customers and others	• Customer Value	See page 14
	• Sustainability Review	See page 28
	• Supply chain management	See page 41
	• Human rights and modern slavery	See page 43
	• Stakeholder engagement	See page 100
	• Making a positive social impact	See page 49
	• Non-Financial and Sustainability Information Statement	See page 76
	• Chair's Statement	See page 6
	• Insight into the boardroom	See page 88

Section 172(1) factor	Relevant disclosure	Annual Report page number
d. The impact of the Company's operations on the community and the environment	• Stakeholder engagement	See page 100
	• Sustainability Review	See page 28
	• Making a positive social impact	See page 49
	• Task Force on Climate-related Financial Disclosures	See page 68
	• Non-Financial and Sustainability Information Statement	See page 76
	• Chair's Statement	See page 6
	• Safety and Sustainability Committee Report	See page 106
e. The desirability of the Company maintaining a reputation for high standards of business conduct	• Code of Conduct	See page 148
	• Business model	See page 18
	• Stakeholder engagement	See page 100
	• Risk management	See page 58
	• Making a positive social impact	See page 49
	• Non-Financial and Sustainability Information Statement	See page 76
	• Chair's Statement	See page 6
	• Our governance framework	See page 86
	• Conflicts of interest	See page 91
	• Division of responsibilities	See page 89
f. The need to act fairly as between members of the Company	• Relations with shareholders	See page 149
	• Stakeholder engagement	See page 100

Stakeholder engagement

We engage proactively with all our key stakeholder groups in the knowledge that our long-term success is dependent on how we work with all our stakeholders.

Our policy is to understand our stakeholder views, and to deal with issues with integrity should they arise. Like any business, we sometimes have to take decisions that adversely affect one or more of these groups. In these cases, we always look to ensure we treat those affected fairly.

This section describes our engagement with stakeholder groups, including by the Board. It forms part of our Section 172(1) Statement, set out on page 7 of the Strategic Report.

Stakeholders and relevant Section 172(1) clause	Stakeholders' material issues	Why we engage	How we engage
CU Customers Our customers include those in the oil & gas, water & power, and chemical, process & industrial sectors in more than 140 countries globally. **S.172(1)(c)** The need to foster the Company's business relationships with suppliers, customers and others. **S.172(1)(e)** The desirability of the Company maintaining a reputation for high standards of business conduct.	• Reliability and specification compliance of Rotork's products. • Innovative and cutting-edge actuation solutions. • Clear and proactive two-way communication. We appreciate that product downtime is a key customer concern and an area where Rotork can provide support for them. • Product and service sustainability and safety challenges. • Dedicated lifecycle service and support. • High standards of customer service from initial contact, during the quotation and order process and throughout the life of Rotork's products. • Digitalisation, including informative data from products in the field.	• Customer Value is one of the three pillars of our Growth+ strategy, and therefore of inherent importance to Rotork. • We want to understand, support and respond to our customers' and potential customers' evolving needs and future actuation requirements as market trends evolve. This engagement helps to ensure we develop the right products and services. • We strive to earn a greater share of our existing customers' spend and attract new customers by engaging to prioritise Customer Value. • We want to ensure the best support is provided to customers from the outset of our relationship.	• Our teams liaise directly with customers, and potential customers, to ensure that we deliver the best customer experience. • We engage through our formal voice of the customer programme and the regular feedback from our sales team. • As part of direct customer engagement, we take part in international trade exhibitions. These allow us to demonstrate our actuation solutions first hand. • We engage with customers globally through our expert field service engineers. • The Rotork Service team provides comprehensive full lifecycle service solutions, to ensure the reliability of Rotork's products in the field. • To serve a wider variety of customers and markets, we also supply them via our channel partner network, which includes resellers and distributors. • Our global supply chain programme reduces delivery and lead times and allows us to respond quickly to any supply chain issues. • We encourage customer feedback throughout their relationship with us. Our teams analyse this to identify new opportunities to improve how we serve our customers.
I Investors Rotork's shareholders own the business and range from large institutional investors to private individual (including employee) shareholders. All our investors are treated fairly and have equal access to both Company information and our Board. We also engage with the investment community, advisers and potential shareholders. **S.172(1)(f)** The need to act fairly between members of the Company.	• Delivery of the Growth+ strategy in a manner that aligns with Rotork's vision, purpose and cultural DNA. • A return on investment, a clear and disciplined capital allocation policy and a progressive dividend policy. • Creation of long-term and sustainable shareholder value and clear reporting on the Company's performance. • Meaningful engagement with the Board and adherence to good governance practices. • Reporting to investors on Rotork's contribution to a low-carbon future.	• The Board understands the fundamental importance of engaging with our shareholders and potential shareholders to ensure that they remain updated on the Company's performance, activities and investment case. • Two-way engagement enables the Board to take shareholder views into account within its wider strategic decision making.	• We actively engage with the investment community through regular results and reporting, press releases, investor events, one-to-one meetings (either in person or virtually), roadshows, site tours, our corporate website and our AGM. • Engagement is primarily led by our executive directors and Investor Relations Director. • Our Chair and Chair of our Remuneration Committee undertook a consultation exercise with shareholders and proxy advisers in the autumn to explain and gather feedback on the proposed 2026 remuneration Policy and any wider topics of interest to investors. • Our 2025 AGM was held in Bath (accompanied by a webcast/dial in line to enable those not present to listen in) and provided an opportunity for shareholders to interact with the Board and have any questions answered. All Board members attended the 2025 AGM in person, with Kiet Huynh delivering a presentation to shareholders. • The Board Chair and Chairs of each of our Board Committees welcome engagement with shareholders on any matters within their remit. • We host an annual engagement webinar for our private individual investors, which includes a moderated Q&A session. The 2025 webinar was hosted by Kiet Huynh and our Investor Relations Director. • For our employee shareholders, we also offer internal communication channels.

Our Section 172(1) statement continued

Stakeholder engagement continued

	Outcomes of our engagement during 2025	Board engagement	Priorities for engagement during 2026	Measurements/ metrics	Further information
CU Customers	• Rotork Service, our global full lifecycle experience, is a key differentiator in our industry. The support it provides results in reduced downtime, extending the lifespan of assets and optimising their performance and reliability. • We continue to deliver the Customer Value pillar of our Growth+ strategy. We are implementing and integrating common systems and processes throughout the Group, to improve efficiency, and deliver improved lead times and a better customer experience. • We became a member of the Rockwell Technology Partner Programme. • The feedback received from our formal voice of the customer engagement programme has helped us to target our ongoing continuous improvements to deliver maximum customer benefit. Understanding that our people play an important role in customer service delivery, we delivered targeted training to a range of employees in customer service roles. • We recently launched the RTP-4000 intelligent valve positioner range, IQ3 Perform, and rolled out Noah products across our broader sales network. All have been well received by our customer base.	• Our executive directors attended the 2025 ADIPEC Conference in Abu Dhabi, where they engaged directly with our customers. • Customer engagement, satisfaction and projects to continually improve the customer experience are key topics in Board discussions. • In November, our Non-executive Director Janice Stipp visited a customer's site in Chile, with our local leaders. • In June, the Business Transformation Director updated the Board on the progress of our customer service initiatives. • The Board received a detailed update on new product development from the Chief Technology Officer in March, and again at its strategy meeting in October. The Board participated in deep dive sessions with the Director for Rotork Service in March and May 2025.	• Continue to embrace digital technology to drive increased efficiency in customer experience; for example, to enhance quote responsiveness. • Continue to focus on enhancing the customer experience through a variety of customer-focused initiatives and ongoing voice of the customer programme. • Continue to implement and invest in the Business Transformation programme, which will extend to more of our sites during 2026.	• Invested £13.5m in research and development in 2025. • Awarded Bronze in the 2025 Britain's Most Admired Companies study. • Recognised by TIME and Statista as one of the World's Best Companies – Sustainable Growth. • Engaged with customers and showcased our products at 29 exhibitions globally.	Chief Executive Officer's Statement: page 8 Customer Value: page 14 Sustainability Review: page 28 Case studies and benefits our customers experienced: www.rotork.com/en/casestudies
I Investors	• In 2025, our Chair, Chief Executive Officer, Chief Financial Officer and Investor Relations Director attended over 130 meetings with more than 140 separate institutions globally. • Rotork returned £50m to shareholders via a share buyback programme, which ran from April to October 2025. A further £50m share buyback programme commenced in November 2025. • Continued with the delivery of a progressive dividend policy. Subject to shareholder approval, the total ordinary dividend for 2025 will be 8.30p per ordinary share, representing a 7.1% year-on-year increase. • The Growth+ strategy is delivering, with revenue 3.7% higher year-on-year on an OCC basis. The Group order intake also increased by 6.0% year-on-year on an OCC basis. • All resolutions were passed at the 2025 AGM, with votes in favour ranging from 88.95% to 99.99%. • Following the remuneration engagement meetings, we included additional disclosures within the proposed 2026 Remuneration Policy and wider Remuneration Report.	• Our Chair, Chief Executive Officer, Chief Financial Officer and Investor Relations Director regularly communicate with existing and potential shareholders. • The 2025 AGM provided an opportunity for the Board to interact with shareholders (including individual and employee shareholders) and to answer any questions. • Our Chair and Chair of our Remuneration Committee engaged directly via face-to-face and virtual meetings with shareholders and proxy advisory bodies on the proposed enhancements to our 2026 remuneration Policy. • The views expressed by shareholders, potential investors and the investment community are shared at Board meetings and with the relevant Board Committees, enabling the directors to take these views into account in decision making. • The Board understands shareholders' need for return on investment and approved progressive interim and final dividends based on the Company's profits. • The Investor Relations Director provided the Board with regular updates on market sentiment and investor perspectives including detailed feedback from the results roadshows.	• Continue to offer an extensive investor engagement programme, covering our full range of shareholders. This will continue to include further information on the implementation of our Growth+ strategy and provide forums within which investors can have their questions answered and views heard. • Continue to provide clear reporting on the Company's performance.	• Over 130 investor meetings with more than 140 separate institutions globally. • Subject to shareholder approval of the 2025 final dividend, the total dividend for 2025 will be 8.3p per ordinary share. • £50m cash returned during a share buyback programme, with a further £50m programme currently underway.	Chief Executive Officer's Statement: page 8 Financial Review: page 24 Highlights of 2025: page 1 Business model: page 18 Investment case: page 5 Sustainability Review: page 28 Corporate Governance Report: page 78 Share register information: page 205

Our Section 172(1) statement continued

Stakeholder engagement continued

Stakeholders and relevant Section 172(1) clause	Stakeholders' material issues	Why we engage	How we engage
E Employees We have over 3,500 employees, working worldwide through a network of offices and manufacturing facilities. **S.172(1)(b)** The interests of the Company's employees.	• Equality, fairness, recognition and reward in the workplace. • Clear communications and engagement on business changes that may affect them. • A cultural DNA that is authentic to Rotork and supports its long-term success. • Career development and progression. • A continued focus on wellbeing, health and safety and the working environment.	• Our people embody our cultural DNA and behaviours, and are critical for the continued delivery of our Growth+ strategy. • The safety of our people remains paramount and our vision for health and safety is to achieve zero harm. • We ensure our employees are informed about business changes that may affect them. • We continue to develop, attract and retain talented people.	• We communicate with our employees via a variety of channels that promote open discussion and feedback. These include our employee engagement survey, employee forums, town halls hosted by our Chief Executive Officer, Chief Financial Officer and other members of the senior management team, skip level meetings, our global network of Culture Champions, our colleague recognition portal, our Company intranet, online collaboration tools, factory and product tours, annual personal development reviews and our working@rotork email channel. • Vanessa Simms, Rotork's designated Non-executive Director for Workforce Engagement during 2025, brought the views of employees into the boardroom. This included any direct suggestions that Vanessa had received via the Board's engagement activities.
S Suppliers Our suppliers include all third parties that provide goods or services to the Group. This includes all suppliers, contractors and consultants. We also appoint brokers and engage corporate advisers across a range of professional disciplines. **S.172(1)(c)** The need to foster the Company's business relationships with suppliers, customers and others. **S.172(1)(e)** The desirability of the Company maintaining a reputation for high standards of business conduct.	• Creating and maintaining mutually strong business relationships, via fair procurement, ordering and contracting processes and timely payments. • Clear and accessible information about our required technical specifications, guidance, policies and standards. For example, the Supplier Code of Conduct and our terms and conditions for the purchase of goods and supply of services to us. • Working together collaboratively. For example, on new product innovations, more economically efficient designs and sustainability goals. • A commitment to ensuring that we remain mutually vigilant to the risks related to modern slavery and human trafficking in the wider supply chain, and that we provide a route to raise any concerns in an appropriate manner.	• Our suppliers play an integral role in our ability to continue to deliver products and services to our customers. We generally operate an assembly-only philosophy, meaning that the majority of the components in our products come from our suppliers. • We value strong working relationships with our suppliers and regular engagement ensures this is underpinned by clear and open two-way communication. • Effective engagement with direct suppliers helps to enable a well-integrated supply chain and better inventory management. • We work closely with suppliers in relation to our Scope 3 emissions and support them in their own sustainability journeys. • Our products can have complex certification and compliance requirements. Hands-on, regular engagement enables suppliers to understand these requirements and meet our specifications. • As we develop new and enhanced products, we work closely with suppliers to gather their Design for Manufacture feedback, driving innovation together. • We carry out on-site audits of key and high-risk suppliers, which focus on their social, environmental and ethical conduct, alongside their technical and operational capabilities.	• Our procurement function engages with our strategic suppliers in strategic business reviews, while our regional and site level supply chain and Procurement teams provide operational level engagement. • In support of our important net-zero target for 2045, we engage directly with the suppliers which make up the largest share of our Scope 3 (Purchased goods and services) emissions. Our approach includes issuing awareness letters, one-to-one meetings and requesting that these suppliers calculate and report their emissions to us, while also setting their own emissions reduction targets. • We use supplier sustainability software to manage our suppliers becoming a signatory to our Supplier Code of Conduct and track other compliance declarations and reporting. • Our Quality Assurance teams visit suppliers for initial assessment, onboarding and re-evaluation and to complete product development and continuous improvement activities. • Our Supplier Code of Conduct and Speak Up Policy apply to our suppliers, encourage them to raise concerns with us and outline our commitment to conduct our business with openness, integrity and fairness.

Our Section 172(1) statement continued

Stakeholder engagement continued

	Outcomes of our engagement during 2025	Board engagement	Priorities for engagement during 2026	Measurements/ metrics	Further information
E Employees	• The foundational work we undertook with employees in 2024 facilitated the evolution of our cultural DNA. • We embedded our cultural DNA and behaviours into our performance management approach. • We launched our People Manager Programme to over 500 people managers globally, to engage them on our DNA and develop their skills in alignment with our behaviours. • We continued our externally facilitated employee engagement survey, enabling us to measure progress and benchmark employees' feedback with our peers. • Feedback from the engagement survey was shared and teams are working on bespoke action plans. • We maintained our 'Fair Pay' commitment and are accredited as a Living Wage Employer by the Living Wage Foundation. • We continued our support of World Mental Health Day and participated in International Wellbeing Week. • Our learning management system provides 105 on-demand courses, 70 of which are multi-lingual. • We continue to build our Early Careers Programmes through the Rotork Service Academy, which now has 20 apprentice field service engineers. Our second cohort of graduates completed the Graduate Programme, with eight new graduates joining in 2025.	• All Board members engaged directly with employees during 2025, with eight different site visits undertaken globally by either our Chair or a non-executive director, including in the US, China, South Korea, Chile and Sweden. • Kiet Huynh and Ben Peacock hosted two all-employee town halls, which included live and interactive Q&As, alongside 11 different site visits globally and multiple employee engagement initiatives. • Vanessa Simms, as the designated Non-executive Director for Workforce Engagement, brought the voice of employees to the boardroom. • Vanessa Simms met with our Graduate Programme cohort. • Svein-Richard Brandtzæg met with Bath-based employees to understand their experiences at Rotork. • The Board received multiple updates from the Group Chief Human Resources & Sustainability Officer over the course of 2025. • Board reports include updates on employee engagement. • In October 2025, the Board toured the Bath facility taking the opportunity to engage with employees.	• Continue to ensure that our employees understand our Growth+ strategy and their role in helping to deliver it. • Continue to progress with our cultural initiatives and embedding our cultural DNA, to support the Group's long-term success. • Continue to enhance engagement through learnings from our employee engagement survey and bespoke local action plans. • Continue to develop and grow our people's skills and capabilities through initiatives such as the People Manager Programme, building further learning and development support for all. • Continue to embed our cultural behaviours into how we approach talent and performance.	• Over 800 employees involved in cultural initiatives. • 86% response rate to employee engagement survey. • TRIR 2025: 0.24. • Eight graduates in the 2025 cohort enrolled on the Graduate and Internship Programme. • 80 Culture Champions appointed.	→ **Workforce engagement in action: page 94** → **Evolving our culture: page 16** → **Gender Pay Report: page 53** → **Diversity statistics: page 53** → **People and Culture section in Sustainability Review: page 50**
S Suppliers	• In May 2025, we hosted the Asia-Pacific Supplier Conference in China which brought together 50 key partners across the region. This included an engaging Q&A session and a tour of our new facility. • We continued to conduct audits against our Supplier Code of Conduct and technical requirements. This resulted in several suppliers making measurable improvements in their health and safety, ESG practices and technical performance. • We restated our request for emissions reporting in writing and held one-to-one meetings with suppliers on this. • We conducted more detailed ESG site audits on more of our suppliers, utilising our supplier sustainability software. • We continue to engage with our global supply chain, to ensure that we are working together to prevent modern slavery and human trafficking in the wider supply chain. • We continue to forecast our component requirements and proactively work with our supply chain partners to reduce our supply chain disruption risk. • We worked with suppliers to drive quality and continually improve manufacturing processes that minimise the risk of in-field product failure.	• Interaction with suppliers remains an important topic in Board discussions. The Board receives updates on suppliers from the executive directors and RMB members. • In March 2025, the Board was updated on the prevailing procedures and policies in place to prevent and detect modern slavery and human trafficking within our supply chain. As part of this, the Board approved the 2025 Modern Slavery Statement, which is available on our corporate website. • In March 2025, the Safety and Sustainability Committee and Board reviewed and approved enhancements to our Supplier Code of Conduct. • Progress against our Scope 3 emissions reduction target and our approach to engaging with suppliers was reported to the Safety and Sustainability Committee.	• Continue to strengthen relationships with existing and new suppliers. • Increase the number of suppliers engaged under long-term agreements, to mitigate against potential supply chain risks. • Continue with our supplier engagement programme, including on the measurement of their emissions and sharing this with us. We are targeting that 25% of suppliers (by estimated emissions) will have set SBTi targets by 2027.	• 199 supplier due diligence assessments undertaken. • 1,034 suppliers completed modules on our supplier sustainability platform. • We measure each supplier's on-time delivery and quality performance.	→ **Divisional Review: page 21** → **Sustainability Review: page 28** → **Our Supplier Code of Conduct: www.rotork.com/en/about-us/terms-and-conditions/suppliers/supplier-code-of-conduct** → **Rotork's 2025 Modern Slavery Statement: www.rotork.com/en/investors/modern-slavery-statement** → **Our Code of Conduct: www.rotork.com/en/sustainability/esg-reports-and-policies/rotork-code-of-conduct**

Our Section 172(1) statement continued

Stakeholder engagement continued

Stakeholders and relevant Section 172(1) clause	Stakeholders' material issues	Why we engage	How we engage
CO Communities We define our communities as the people and organisations in areas where we have a physical presence, such as local residents, businesses, schools and charities. **S.172(1)(d)** The impact of the Company's operations on the community and the environment.	• Understanding the differing needs and priorities of our local communities and how we can best support them. • Providing local employment opportunities and investment to help communities thrive. • Creating positive environmental and social impact enabling a sustainable future.	• Our core purpose of 'keeping the world flowing for future generations' recognises the role we play in creating greater places to live and improving the communities in which we operate. • One of our sustainability framework pillars is to make a positive impact to support thriving and resilient communities and operate responsibly within them. • Through our charity fundraising, our sites are able to make donations directly to their local communities and thereby make a difference where it's most needed. • We make a positive social impact by being a good corporate citizen and paying our taxes to contribute to society in the countries in which we operate. • We understand the importance in recruiting and retaining diverse talent from our local communities.	• We engage positively with our local communities by investing in job creation, using local talent and supply chains where viable, paying our taxes and helping to support the wider communities in which we operate. • We consider the impacts of our business decisions carefully, including potential social impacts. • We partner with two global charities, Pump Aid and Renewable World. We also make donations to the Rotork Benevolent Support, which offers support to employees and ex-employees and their families facing financial hardship. • We support our local communities in a number of ways, including charitable giving and volunteering our time in aid of local projects. • In addition to Rotork's global charity partners, the charity committees at Rotork's local sites support community causes that are expressed as important or meaningful to our locally-based employees.

Our Section 172(1) statement continued

Stakeholder engagement continued

	Outcomes of our engagement during 2025	Board engagement	Priorities for engagement during 2026	Measurements/ metrics	Further information
CO Communities	• In 2025, our teams supported a wide range of initiatives from education and innovation to health and wellbeing. Examples include donations of equipment to schools in China and of toys to children in need across America. Our colleagues in Australia supported Red Nose Day, while our Bath teams showcased their baking skills to support Macmillan Cancer Support. We sponsored Team Bath Racing Electric (from the University of Bath) to design and build an open wheel racing car, which competed at the university's Formula Student competition. • Grants totalling £22,000 were made to those in need via the Rotork Benevolent Support in 2025. • Our employees actively volunteer in their communities. In Hong Kong, employees served food at a local shelter, while in Bath, our Business Transformation team collected non-perishable goods and prepared food for residents of a local hostel. • Many of our teams took part in charity runs, raising both awareness and funds.	• Rotork's Board maintains an active interest in the social aspects of the operational business and the Chief Executive Officer provides regular reporting on health and safety to the Board. • The Safety and Sustainability Committee assists the Board in overseeing the execution of the Company's sustainability and social strategy and monitoring its progress. • The Safety and Sustainability Committee received regular updates from the Group Chief Human Resources & Sustainability Officer on the various social initiatives taking place across the Group. These covered areas such as employee wellbeing and mental health, charity support and community engagement. • The Safety and Sustainability Committee reviewed and supported the 2025 activities of the Rotork Benevolent Support. • The Safety and Sustainability Committee Chair updates the Board on the key issues covered following each Committee meeting.	• Continue to ensure our charitable partnerships have a positive social impact, aligned to our purpose and the UN Sustainable Development Goals we have identified to support. • Continue to support our employees in contributing to local causes close to their hearts. • Continue to help drive and demonstrate progress in our broader safety and sustainability agenda. • Continue to strengthen the relationship with Pump Aid and support its vital work.	• £160,000 donated to our global partner charities in 2025. • £39m total corporation tax paid in 2025.	→ Sustainability Review: page 28 → Our social contribution: page 54 → Sustainability Reports and policies: www.rotork.com/en/investors/diversity-and-inclusion → Making a positive impact section of our website: www.rotork.com/en/sustainability/social-impact

Andrew Heath
Chair of the Safety and Sustainability Committee

Safety and Sustainability Committee report

"I am pleased to present the Committee's report for 2025 – a year where both safety and sustainability remained major focus areas for Rotork. The Committee (on behalf of the Board) continues to oversee the implementation of Rotork's safety and sustainability frameworks, which together support the Company's long-term success and core purpose of keeping the world flowing for future generations."

Andrew Heath
Chair of the Safety and Sustainability Committee

Committee role and responsibilities

The main role of the Committee is to oversee the Company's safety and sustainability strategy in order to promote its long-term success. On behalf of the Board, the Committee oversees the progress being made towards our core purpose of keeping the world flowing for future generations and our health and safety vision of zero harm.

At each Committee meeting, the Committee undertakes a deep dive into a safety or sustainability strategic focus area. The strategic deep dives for 2025 were: the health and safety strategy; progress against our Science Based Targets initiative (SBTi) validated greenhouse gas (GHG) emissions reduction targets; and a review of activities to enhance product sustainability and the management of sustainability issues in Rotork's supply chain.

The Committee's responsibilities include:

- overseeing the Company's strategic safety and sustainability frameworks to ensure Rotork continues to make progress in working towards the UN Sustainable Development Goals (SDGs) it seeks to align with;
- overseeing the Company's approach to safety across its operations;
- overseeing the Company's net-zero strategy. This includes oversight of workstreams to achieve the Company's commitments, which are to target an absolute reduction in Scope 1 and 2 emissions by 42% (as against the 2020 baseline year) and an absolute reduction in Scope 3 emissions (Use of sold products) by 25% by 2030 (both as against the 2020 baseline year), alongside becoming net-zero for Scope 1 and 2 by 2035 and for Scope 3 by 2045;
- providing strategic guidance on the Company's sustainability communications approach, to ensure it aligns with the Growth+ strategy;
- reviewing the content of the Company's sustainability-related disclosures, to ensure compliance with applicable laws and regulations;
- closely liaising with the Remuneration Committee to recommend safety and sustainability targets that are aligned with the Growth+ strategy for incentive purposes. This is to enable the Remuneration Committee to discharge its responsibility in determining the performance targets, measures and metrics, and their related terms;
- liaising with the Audit Committee in relation to its oversight of any external assurance regarding any ESG-related metrics (including those that link through to remuneration);
- reviewing and recommending to the Board for approval Company policies relevant to the Committee's scope; and
- overseeing the Company's social impact, including charitable activities.

The current members of the Safety and Sustainability Committee are:

- Andrew Heath (Committee Chair) (member and Committee Chair since May 2024);
- Karin Meurk-Harvey (member since September 2021);
- Vanessa Simms (member since June 2024); and
- Janice Stipp (member since January 2025).

Further reading:

Sustainability Review: page 28

Sustainability Reports and policies: www.rotork.com/en/sustainability/esg-reports-and-policies

The terms of reference for the Safety and Sustainability Committee were last reviewed in October 2025. A copy of the current terms of reference is published on Rotork's website at: www.rotork.com/en/investors/committees

Safety and Sustainability Committee report continued

How the Committee operates

The Committee currently comprises four independent non-executive directors. I have held the position of Committee Chair since 1 May 2024. Vanessa Simms joined the Committee shortly thereafter on 21 June 2024. Karin Meurk-Harvey has been a member of the Committee since 13 September 2021. Janice Stipp, Chair of the Audit Committee, was appointed as a member of the Committee with effect from 1 January 2025. This provides additional continuity between the Committee's reporting responsibilities and the Audit Committee's responsibilities, for the assurance of sustainability reporting and disclosures. Karin's and my memberships of the Remuneration Committee enable a close connection on safety and sustainability matters relating to remuneration, such as target setting for incentive schemes.

The Committee met formally three times during 2025. Details of each member's attendance at the meetings is provided on page 91. Members of the Committee also hold discussions (as required) outside of the formal meetings. The Board Chair, the Chief Executive Officer, the Group Chief Human Resources & Sustainability Officer, the Operations Excellence Director, the Head of ESG & Sustainability, and the Global Head of HSE attended Committee meetings by invitation. The Group General Counsel & Company Secretary acted as secretary to the Committee. As Committee Chair I report to the Board on the key issues covered at each meeting.

Our sustainability framework

Rotork's sustainability framework has three designated pillars. Each pillar is aligned with specific UN Sustainable Development Goals (SDGs) and targets relevant to Rotork's business. The three pillars are set out below, along with full details about each pillar and the targets that Rotork has set to work towards each pillar's mission. Details about which UN SDGs are aligned with each pillar is set out in more detail within the Sustainability Report on pages 28 to 57.

Operating **responsibly**

Our mission: to run safe, efficient and sustainable operations.

Read more on page 33

Enabling a **sustainable** future

Our mission: to help drive the transition to a cleaner future, where environmental resources are used responsibly.

Read more on page 45

Making a **positive** social impact

Our mission: to support thriving, fair and resilient communities.

Read more on page 49

Activities of the Committee during the year

On behalf of the Board, the Committee oversaw the Company's safety and sustainability strategic plans, targets and related initiatives. The Committee received updates from the executive team on the progress made towards the aims of each of Rotork's three sustainability pillars. The Committee meetings captured reviews of ongoing safety initiatives, emissions reduction plans, and community engagement and charitable initiatives across the Group. During 2025, the Committee also maintained oversight of the sustainability reporting regulations (as they relate to Rotork) and requirements for third-party assurance of Rotork's sustainability data disclosures. Recognising the evolving nature of the sustainability regulatory and reporting landscape, a bespoke training session was delivered to the whole Board on this topic during the year. The key areas of focus for the Committee during the year are described below.

Review of the safety strategy

Rotork's vision for health and safety remains that of zero harm and the safety of all our employees, partners and visitors. This is a key priority for the Board.

At its March meeting, the Committee reviewed the health and safety strategy to ensure its continued alignment with the overall Growth+ strategy. We were pleased to see the actions and projects undertaken by management in relation to health and safety across the regions within which Rotork has an operational presence and its future planned activities.

The Committee is kept updated on activities within the business to continually embed and enhance our 'safety first' culture with employees. This includes updates on training for all employees as part of the Company's learning-led culture. At each meeting during the year, the Committee received updates on the Group's performance against the key safety metrics that have been established within the safety strategy. This included a review of the Group's 2025 total recordable incident rate (TRIR), which was 0.24 (2024: 0.22) and the 2025 lost time injury rate (LTIR), which was 0.08 (2024: 0.08). As part of the strategic deep dive in March, the Committee and I also reviewed the initiatives that were being put in place as part of the journey towards zero harm, to continually improve training and proactively manage our health and safety risks.

Carbon emissions reduction targets and net-zero commitments

As part of Rotork's contribution towards a low-carbon economy, in 2021 Rotork set targets to reduce carbon emissions, with the Scope 1, 2 and 3 emissions reduction targets being validated by the SBTi. The targets are:

- an absolute reduction in Scope 1 and 2 (market-based) emissions by 42%, as against the 2020 baseline year;
- an absolute reduction in Scope 3 emissions (Use of sold products) by 25% by 2030, as against the 2020 baseline year; and
- net-zero for Scope 1 and 2 by 2035 and for Scope 3 by 2045.

At each meeting during 2025, the Committee reviewed progress on Rotork's Scope 1 and 2 target and the operational workstreams being undertaken across the Group. The Committee reviewed the implementation of energy efficiency projects, investment in on-site renewable generation and resource efficiency at Rotork's facilities globally.

Safety and Sustainability Committee report continued

Activities of the Committee during the year continued

Carbon emissions reduction targets and net-zero commitments continued

This included a review of the range of energy efficiency measures that were piloted in 2025 at our facility in Manchester (UK) (such as voltage optimisation, the installation of a building management system and smart metering), the reduction in emissions driven by the installation of 444 kWp solar photovoltaic (PV) panels at our facility in Lucca (Italy) and the increased use of renewable power certificates across operations in Europe.

As a result of the variety of initiatives undertaken throughout the Group since the carbon emission reduction targets were originally set in 2021, the Committee was pleased to receive confirmation (following the independent assurance process that was undertaken and the review of the assurance report then undertaken by the Audit Committee) that Rotork had achieved its absolute 42% reduction in Scope 1 and 2 emissions target five years early during 2025. Scope 1 and 2 emissions decreased 9% year-on-year and by 43% overall when compared against our 2020 baseline year.

Reflecting our future sustainability ambitions, following a recommendation by management, the Committee approved and recommended to the Board that Rotork's ambitions were raised and that the existing target be stretched. The Board approved the more challenging stretch target of a 60% absolute reduction in Scope 1 and 2 (market-based) emissions (against the 2020 baseline year) by 2030. This stretch target is ambitious and in line with the SBTi's forward-looking adjustment guidance. Over the course of the coming year the Committee will also review management's proposals for the evolution of our sustainability strategy and forward targets, following a detailed third-party opportunity assessment.

The Committee also continued to monitor the activities being undertaken to reduce Rotork's Scope 3 emissions during 2025, recognising Scope 3 emissions represented 99% of the Group's total greenhouse gas emissions, as set out on page 75, 81% from the Scope 3 (Use of sold products) category with an additional 13% derived from the Scope 3 (Purchased goods and services) category.

Oversight of the sustainability of our products, over their lifecycle

The Committee understands that initiatives to improve environmental performance must occur both upstream and downstream, through supporting and enabling both our customers and our supply chain to improve their own environmental performance.

The Committee endorsed the steps being taken to deliver improved product efficiency and reduce emissions. As part of the strategic deep dive into product sustainability at the July 2025 Committee meeting, the Committee received a detailed update from management on Rotork's customer-focused innovation, which continues to enhance both product efficiency and sustainability performance.

As an example, the development of the new configuration of the YT-1000 flagship positioner during 2025 not only further supports our customers' own decarbonisation plans but also Rotork's Scope 3 (Use of sold products) emissions reduction targets. The updated version (launched in 2025) delivers an estimated 30% reduction in annual air consumption. This is an example of Rotork's best-in-class engineering capabilities that are delivering efficiency for our customers through our products.

More detail about the product innovation of the YT-1000 is set out on page 32

Safety and Sustainability Committee report continued

Activities of the Committee during the year continued

Oversight of the sustainability of our products, over their lifecycle continued

In addition, the Committee considered the wider efficiency gains being achieved by Rotork's Engineering team. These include the IQ3 Perform actuators, that are now being shipped to customers with the display screen in an energy efficient setting as the default, the environmental lifecycle assessments being undertaken on products and other sustainable design features being implemented across Rotork's product portfolio.

Oversight of the Scope 3 (Purchased goods and services) category

The Committee reviewed and supported the ongoing steps being taken by management to engage with suppliers on their own emissions measurements. During 2025, Rotork continued to engage with its supply chain on emissions measurement and target setting, in support of Rotork's net-zero commitment. During 2025, engagement with the supply chain included one-to-one meetings and provision of awareness materials to help support suppliers in setting their own targets. The Committee reviewed the supply chain programme and Supplier Code of Conduct commitments. More details about the nature of this engagement are set out on pages 41 and 42.

Further details of progress achieved during the year towards our SBTi validated targets can be found within the Strategic Report on pages 35 to 41

Annual bonus and long-term incentive schemes – safety and environmental performance measures

Reflecting the importance that we attach to achieving our safety vision of zero harm and to achieving our net-zero targets, safety measures are included within the annual bonus opportunity and Scope 1 and 2 GHG (market-based) emissions reduction targets are included within our senior team's long-term remuneration arrangements.

During 2024, the industry best practice measure TRIR was incorporated into the annual bonus opportunity metrics (in place of LTIR), and the Committee recommended to the Remuneration Committee that this approach be continued for the 2025 annual bonus opportunity. The Committee also reviewed the environmental performance measure for the long-term incentive award granted in 2025, which aligns with Rotork's existing science-based Scope 1 and 2 reduction target. Satisfied that the proposed measure was in alignment with Rotork's sustainability strategy, the Committee therefore endorsed the Remuneration Committee's determination of the environmental performance condition attached to the 2025 long-term incentive awards. For further details, see page 139.

The Committee liaised with the Remuneration Committee during its work in 2025 on the proposed enhancements to the current Remuneration Policy and the safety and sustainability targets that the Committee considered appropriate and aligned with the Growth+ strategy.

Sustainability reporting and regulatory compliance

As a Committee, we remain conscious of the evolving developments and compliance requirements within the sustainability and climate-related reporting sphere. The Committee received ongoing updates on changes related to reporting and regulations during 2025. Specifically, the Committee received a detailed update on the European Commission's 'Omnibus package' announcement in February 2025 (and subsequent policy changes), which mean that Rotork would currently fall out of scope of the EU Corporate Sustainability Reporting Directive (CSRD) with which we were previously preparing to comply. As part of the preparations for CSRD, Rotork had already undertaken a double materiality assessment (with the support of an external third-party adviser) at the end of 2024. The Committee reviewed the outcomes of the assessment and was updated on how the materiality assessment continued to be useful in informing Rotork's sustainability reporting and programme focus.

The materiality overview is detailed on page 31

The Committee also received an update from management on the preparations underway to ensure that Rotork would be able to report in line with the UK Sustainability Reporting Standards (UK SRS), which are currently expected to apply to Rotork with effect from its 2027 financial year onwards.

Recognising the importance of the assurance of sustainability data, the Committee work with the Audit Committee on the expansion of the assurance scope for 2025, meaning that external assurance has also been undertaken on Rotork's Scope 3 (Use of sold products) emissions (in addition to the Scope 1 and 2 GHG emissions and total water withdrawal).

Rotork's Task Force on Climate-related Financial Disclosures (TCFD) Report is set out on pages 68 to 75. The Committee reviews the disclosures before they are recommended to the Board.

Social

During the year, the Committee received updates on the various social initiatives and workstreams across the Group which, when taken together, all help Rotork to create a positive impact on our people and the communities in which we operate. These covered areas such as employee wellbeing and mental health, charity support and community engagement. The Committee was pleased to note management's work with its global charity partnerships, Pump Aid and Renewable World, which is further explained on page 54. The Committee also reviewed the 2025 activities of the Rotork Benevolent Support, an independent charity which provides support to employees and former employees of Rotork and their families who are facing financial hardship.

Safety and Sustainability Committee performance review

The Committee carried out an internally facilitated review of its performance, as part of the overall internal Board and Committee performance review in 2025, and its findings were discussed by the Committee and the Board. It was concluded that the Committee continued to fulfil its duties effectively. The area identified for further emphasis, and development, by the Committee was the benefit of continual training on the evolving regulatory and reporting requirements as they relate to Rotork.

Looking ahead

As illustrated in the sustainability framework on page 29, during the coming year the Committee will review the potential to evolve certain sustainability priorities to ensure that these remain appropriate for the future and aligned with the Growth+ strategy. The Committee will continue to liaise with the Audit Committee, where required, in its role of overseeing the assurance of the reporting and disclosures of sustainability data in compliance with regulatory requirements. Equally so, the Committee will continue to recommend to the Remuneration Committee safety and sustainability targets that are aligned with the Growth+ strategy and that have the potential to be included within incentive schemes.

I would like to thank all our employees for their shared passion towards our safety and sustainability vision, and my fellow Board members for their constructive inputs and personal commitment to this important agenda throughout 2025 and beyond.

Andrew Heath
Chair of the Safety and Sustainability Committee
9 March 2026

Janice Stipp
Chair of the Audit Committee

Audit Committee report

"The Audit Committee has continued to provide oversight on Rotork's reporting and external and internal audit processes in 2025, alongside focus on the Company's system of internal controls and preparations for Provision 29 of the Code."

Janice Stipp
Chair of the Audit Committee

The current members of the Audit Committee are:

- Janice Stipp (Committee Chair, appointed May 2021);
- Vanessa Simms (member since June 2024); and
- Svein Richard Brandtzæg (member since January 2025).

Further reading:

Risk management and internal controls – see pages 58 to 66

Audit, risk and internal control in the Governance Report – see page 96

The terms of reference for the Audit Committee were last reviewed in October 2025. A copy of the current terms of reference is published on Rotork's website at: www.rotork.com/en/investors/committees

Committee role and responsibilities

The main role of the Committee is to oversee (on behalf of the Board) matters relating to the independence and effectiveness of the Company's internal and external audit functions, the integrity of the financial and narrative statements, and the adequacy and robustness of the Group's internal controls and risk management systems.

The Committee's responsibilities include:

- reviewing and monitoring the integrity of the financial statements (and accompanying narrative reporting) of the Company (and Group), including all annual and half yearly reports, trading statements, preliminary announcements and any other formal announcements relating to financial performance. Also reviewing (and reporting to the Board on) any significant financial reporting issues, judgements, estimations and uncertainties contained within such statements;
- reviewing the key considerations and assumptions made in support of the going concern statement and ongoing viability assessments, before recommending the statements to the Board;
- reviewing updates on material tax matters within the Group and ensuring that the Group operates in accordance with the Group Tax Strategy;
- reviewing updates on material treasury matters and ensuring that the Group operates in accordance with the Group Treasury Policy;
- all matters related to the external audit process and external auditor. This includes making recommendations to the Board (to be put to shareholders) as to the appointment of the external auditor, leading an external audit services contract tender process, overseeing the relationship with the external auditor, monitoring and assessing the external auditor's independence and objectivity, annually reviewing and assessing the effectiveness of the external audit process, (in consultation with the Chief Financial Officer) reviewing and approving the external auditor's remuneration and scope of each engagement, reviewing the external audit plan, reviewing any representation letters requested by the external auditor, reviewing the policy on the employment of former employees of the external auditor and monitoring compliance with the policy on engagement of the external auditor for non-audit services;
- assessing the extent to which external assurance is required (and making arrangement for this) on any relevant sustainability data (such as the Task Force on Climate-related Financial Disclosures report or any ESG-related metrics that link through to performance conditions and remuneration targets) and liaising with the Safety and Sustainability Committee and Remuneration Committee as appropriate on these matters;
- assessing the extent to which external assurance is required in relation to the preparation of the digitised consolidated financial statements;
- all matters related to the internal audit function. This includes approving its appointment and its annual internal audit plan (to ensure its alignment with the principal risks and overall risk management system), reviewing the effectiveness of the internal audit function's work, and ensuring that the internal audit function has unrestricted scope and access to the necessary resources, information and people within the Group to enable it to effectively fulfil its role;
- monitoring the Company's risk management and internal control frameworks. This includes reviewing reports on the adequacy and effectiveness of the internal financial, non-financial, reporting, operational and compliance controls and risk management, and also the conclusions of any testing undertaken on these by the internal or external auditor. The Committee's remit also includes monitoring the application of the Company's risk management policy, assessing the effectiveness of the risk management and internal control frameworks in relation to identifying, assessing, managing and monitoring the Company's principal risks (whether financial or non-financial) and emerging risks, and making recommendations to the Board as to actions needed to address any significant failings or weaknesses that may arise; and
- reviewing the adequacy and effectiveness of the Company's policies, systems, procedures and controls for the prevention and detection of bribery, slavery and fraud. Also, reviewing the arrangements by which someone can raise concerns in confidence and (where legally permissible) anonymously, then reviewing the findings of any investigations undertaken following concerns being raised and reporting to the Board on the outcomes and any actions taken.

Audit Committee report continued

Key activities of the Audit Committee during the year

Activity	More information
Financial and narrative reporting	
Review and challenge of the actions and judgements of management in relation to the interim and annual financial statements before submission to the Board – including whether the Annual Report and Accounts is fair, balanced and understandable.	Financial statements – page 152
Review and challenge on the adoption of the going concern basis of accounting and a review of the process and scenario modelling underpinning the Group's Viability statement.	Viability statement – page 67
Appraisal of external auditor's report on year-end accounts, scope and key risks and all matters related to the financial year-end process.	External audit report – page 153
Review of the appropriateness of the use of alternative performance measures in the Group's financial statements.	Financial statements – page 152
Internal controls and risk management	
Review of processes and procedures for risk management and internal audit.	Risk management – page 58
Review of the development of the Business Control Framework and the business control review plan and how the control framework will integrate into the new ERP system.	
Consideration of all significant internal control reports and findings and management's response.	
Review of preparations for Provision 29, with focus on approach to material controls and alignment between functions.	
Review of preparations to comply with the new failure to prevent fraud offence introduced by the Economic Crime and Corporate Transparency Act 2023.	
External audit	
Active monitoring and approval of the external audit plan and scope of work; no specific directions to the auditor were considered necessary in 2025.	External audit report – page 153
Review of KPMG LLP ('KPMG') audit quality review process undertaken by the FRC in 2025 following completion of the first year audit.	
Monitoring of the external auditor's independence and objectivity and approval of any non-audit services undertaken by the auditor.	
Oversight of the effectiveness of the audit process ensuring appropriate challenge to management.	
Internal audit	
Review and approval of the internal audit programme and the internal audit charter for 2025.	Internal audit – page 113
Monitoring of progress and implementation of actions arising from internal audit reporting.	
Evaluation of maturity and effectiveness of internal audit, including its remit and resourcing.	
Review of the effectiveness of the internal audit process.	
Additional matters	
Review of the Business Transformation programme including implementation of the ERP system.	Principal risks – Business change management – page 66

Alongside the above key priorities, the Audit Committee has reviewed, approved and monitored compliance with key Group policies including, but not limited to, those on independence of internal and external audit and non-audit fees, risk management and whistleblowing.

Audit Committee report continued

Audit Committee Chair's statement

I am pleased to present the report of the Audit Committee for the year ended 31 December 2025. Throughout the year, the Committee has provided oversight of key matters of governance and financial reporting including the following key items in addition to the usual schedule of work:

- **Finance and Business Transformation** – continued monitoring of progress on the Business Transformation programme, including the implementation of the new ERP system, which has impacts across the business. The Committee has given focus to the control environment and the importance of general IT controls where there are opportunities to automate elements of the Business Control Framework.
- **Provision 29 –** review of the Group's progress in its preparation for the implementation of Provision 29 of the 2024 Code, which is effective from 1 January 2026. The Committee has received updates throughout the year and provided oversight of the definition and identification of material controls and the approach to assurance regarding these controls.

How the Committee operates

The Committee comprises three independent non-executive directors, and this was the case throughout 2025. Janice Stipp and Vanessa Simms both hold professional accounting qualifications and are deemed to have recent and relevant financial experience. All Committee members have experience of working in complex global industrial product businesses, a number of which share common end markets with Rotork. The biographies and skillsets of each member of the Committee can be found on pages 82 and 83.

The Committee is required to meet at least three times a year. During 2025, four formal meetings were held. Additional formal meetings are arranged as required. Members of the Committee hold discussions outside of the formal meetings and meet with the external auditor and Head of Internal Audit without management present. Details of members' attendance at each of the meetings are provided on page 91. The Chief Executive Officer, Chief Financial Officer, Group Financial Controller, Head of Internal Audit and Head of Risk and Compliance also attend the Committee meetings by invitation. Representatives of the external auditor (including the lead audit partner) also attend meetings by invitation. The Group General Counsel & Company Secretary acts as secretary to the Committee. The Committee Chair reports to the Board on the key issues covered at each meeting.

The Committee maintains an annual schedule of work, which is kept under review and forms the basis of its principal meetings throughout the year. The schedule is supplemented by consideration of specific matters as and when they arise.

The Chair of the Committee holds regular additional meetings with the Chief Financial Officer, the Group Financial Controller, the external audit partner, the Head of Internal Audit, the Head of Risk and Compliance and other members of the management team. These meetings provide an opportunity to gain a detailed understanding of key issues and identify those matters which require meaningful discussion at Committee meetings.

During the year, the Committee received reports from management, the Risk and Compliance team, the internal audit team and the external auditor. Through face-to-face discussions and detailed written reports, the Committee was able to challenge, scrutinise and ask questions where clarification or discussion was required. We also held regular meetings during 2025 with the external auditor and the Head of Internal Audit without management present.

Financial reporting

A key role of the Audit Committee in relation to financial reporting is to review the quality and appropriateness of the half year and year-end financial statements. As part of its assessment of financial reporting, the Committee receives reports from members of the Group Finance team and holds meetings with the external auditor. These meetings are used to understand key judgements and estimates and how these are recorded in the financial statements, as well as to challenge management on the quality and appropriateness of the financial reporting.

In 2025, the following were areas of focus for the Audit Committee in considering the quality of financial reporting:

- the application of accounting policies and practices;
- the clarity of disclosures and compliance with UK-adopted International Financial Reporting Standards, UK company law and the 2024 UK Corporate Governance Code;
- material areas in which significant judgements have been applied or where there has been discussion with the external auditor;
- upon request of the Board, advising it on whether the Annual Report and Accounts is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance;
- review and challenge of the judgements applied in the timing of revenue recognition in line with the requirements of IFRS 15 Revenue from Contracts with Customers; and
- review of alternative performance measures to ensure they are not given undue prominence and challenging the nature and value of significant adjusting items.

The principal matters of judgement and estimation considered by the Audit Committee in 2025 were:

Acquisition of Noah Actuation Co. Ltd: In 2025, the Group completed the acquisition of Noah Actuation Co. Ltd for a total purchase consideration of £37.6m. As detailed in note 4 to the financial statements, judgement was required regarding the accounting for the acquisition, which included the valuation of acquired intangible assets and goodwill. The Committee reviewed the reporting and methodology used for the accounting for the acquisition and was satisfied that it was appropriate in accordance with the required standards.

Alternative performance measures: The Group uses adjusted figures as key performance measures in addition to those reported under UK-adopted IFRS. Management believes these measures provide additional useful information to assist in the comparison of the Group's underlying results with prior periods and assessment of trends in financial performance. The Committee reviewed the presentation and definitions of the alternative performance measures in the financial statements and was satisfied that they were not given undue prominence. The Committee reviewed and challenged the report from the Group Financial Controller and was satisfied that the nature and value of significant adjusting items was appropriate.

External auditor

KPMG was re-appointed as the Group's external auditor by the Company's shareholders at the AGM on 2 May 2025. Huw Brown remains KPMG's lead audit partner for Rotork for the 2025 year end. KPMG was appointed following a competitive tender process in 2024; under current regulations the Group is required to retender the external audit no later than for the 2034 financial year.

Effectiveness of the external auditor

The Audit Committee assesses the effectiveness of the external audit process, the scope of the Group audit and the quality of the audit work throughout the year, and the independence of the auditor. The assessment considers:

- any issues encountered in conducting the prior year external audit;
- the proposed external audit plan, including identification of risks and scope specific to Rotork;

Audit Committee report continued

External auditor continued

Effectiveness of the external auditor continued

- reviewing the experience and expertise of the audit team;
- the external audit scope and materiality threshold;
- matters arising during the external audit and the communication of these to the Audit Committee;
- reviewing written reports prepared by KPMG for the Audit Committee on key audit findings, financial reporting topics and the control environment;
- reviewing the nature and quality of the external auditor's report;
- the independence and objectivity of the external auditor including the level of challenge provided to management;
- feedback from executive management and the Group Finance team on the quality and effectiveness of the audit, which in turn had canvassed the opinions of various Group entities using a questionnaire on audit quality;
- holding discussions throughout the year directly with the KPMG lead partner and other senior members of the audit team to understand the work they have performed, their knowledge of the Group's business and industry, and how they have maintained independence, demonstrated professional scepticism and challenged management's assumptions. Notable examples of how the external auditor challenged management and demonstrated professional scepticism during the year include the audit of adjusting items and revenue recognition; and
- discussing with executive management, the Group Finance team and KPMG as to whether the audit has been delivered in line with the plan.

The 2024 audit by KPMG was subject to an audit quality review by the FRC in 2025. The findings from the review were considered by the Audit Committee and it was concluded that there were no matters arising which impacted our assessment of the effectiveness of KPMG or that required additional oversight.

Having completed this review, the Audit Committee agreed that the audit process, independence and quality of the external audit were satisfactory.

Independence of the external auditor

KPMG confirmed to the Audit Committee during the year that:

- the audit engagement team, and others in the firm as appropriate, KPMG and, where applicable, all KPMG network firms are independent of the Group and their objectivity is not compromised; and
- it has no relationships with Rotork plc, its directors and senior management and its affiliates, and provided no other services to other known connected parties, that it considers may reasonably be thought to bear on its objectivity and independence, together with the related safeguards that are in place.

The Committee ensures the policy on non-audit services has been applied.

The Group has not employed former members of the audit team or KPMG partners during the year.

Following each meeting the Audit Committee held private sessions with the external auditor, providing them with a private forum to raise any issues it may deem to be of concern. The Chair of the Audit Committee also meets with the external audit partner and other senior members of the audit team ahead of each Audit Committee meeting.

Statement of compliance

The Company confirms that it has complied with the terms of The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 (the 'Order') throughout the year.

Non-audit services

In order to safeguard the independence and objectivity of the external auditor, the Board has adopted a policy on non-audit services, which restricts the work and fees available to the external audit firm. The Audit Committee reviews the policy annually to ensure that it remains appropriate. The policy reflects the FRC's Revised Ethical Standard 2024 on permitted non-audit services.

The policy permits the use of the external auditor only for services identified on the list contained in the Revised Ethical Standard. Before beginning any activity the external auditor must assess whether it meets the requirements of its independence checks. If those checks are satisfied and the fee is £20,000 or less, authority is delegated to the Chief Financial Officer to approve this proposed non-audit work independently. However, should the fee be above £20,000 or the total non-audit services approved by the Chief Financial Officer exceed £80,000 during any financial year, approval must be obtained from the Chair of the Audit Committee. Any work that is approved is reported to the Audit Committee.

An analysis of fees paid to KPMG, including the split between audit and non-audit, is included in note 9 of the financial statements. The non-audit services provided relate to the interim review performed on the half year results under ISRE 2410 and other services across subsidiaries where local law requires the statutory auditor to provide them.

Internal controls, internal audit and risk management

The implementation of a comprehensive and robust system of risk management remains a key priority for Rotork. While overall responsibility for the Group's risk management and internal control framework rests with the Board, the Audit Committee has a delegated responsibility for reviewing and monitoring the effectiveness of the Group's control environment, risk management and internal audit process.

Throughout the year, the Committee has received reports on the progress of the risk management and internal controls processes and notably on the preparation for the implementation of Provision 29 of the Code on 1 January 2026.

The Risk and Compliance team, led by the Head of Risk and Compliance, and supported by Rotork's wider finance function, delivered control compliance reports for 20 locations during the year. Guidance is provided by the Audit Committee in terms of the nature and extent of testing.

The Committee receives reports on financial compliance review activity, any significant matters arising and the management responses. During the year, recommendations were made on improvements to controls, which management was charged with implementing. The Head of Risk and Compliance monitors the status of actions and provides a report on these areas to the Audit Committee at each meeting. A marked improvement in the status of overdue findings has been noted over the last two years alongside increased accountability for improvement actions arising from business control reviews.

The Risk and Compliance team continues to manage the process for sites to confirm the operation of key financial controls. In the first half of 2025 a confirmation process was deployed to confirm operation of key controls to provide an update on the earlier Business Control Framework activity. The results of the assessment were shared with management and the Audit Committee.

Other means of assessing the internal control systems include the risk assessment process, the Audit Committee's assessment of the effectiveness of risk management and annual letters of assurance from the divisional leadership team. These controls sit alongside our system of governance, including key Committees that monitor our processes and controls, such as the Audit Committee and Safety and Sustainability Committee.

Audit Committee report continued

Internal controls, internal audit and risk management continued

Rotork's Risk Management Policy documents the Group's risk management processes and the connections between those various processes and the day-to-day operations of the business. Each member of the executive team who is a designated risk owner has responsibility for producing and updating detailed plans to respond to risks in accordance with risk appetite. Progress on response plans is reported to the Board, as part of its risk review and oversight process.

PricewaterhouseCoopers LLP ('PwC') continued to provide internal audit services throughout 2025. The function is led by an experienced Head of Internal Audit from PwC. Risk-based internal audit reviews have been completed during 2025 covering the following areas:

- the legacy ERP cybersecurity review;
- support on the Provision 29 review; and
- three business control reviews at key sites.

The Audit Committee receives updates on internal audit activity, any significant matters arising and management responses. The status of actions is monitored by internal audit and regularly reported to the Committee.

In selecting risk-based internal audits for the 2025 plan, the team focused on those risks where reliance on mitigations is most significant while ensuring a broad coverage of areas over a multi-year cycle.

For the 2026 plan, the Risk and Compliance team has determined the sites to be subject to review based on a thorough risk assessment, including consideration of assurance over material controls. The Audit Committee reviewed the 2026 programme at its December meeting.

The Committee confirms that it has undertaken its annual review of the effectiveness of the system of internal control as operated throughout the year ended 31 December 2025.

Monitoring Rotork's preparation for Provision 29

A recurring item on the Committee's agenda during 2025 was the effective oversight of the business' approach and readiness roadmap to ensure the Company is ready to report in compliance with the forthcoming Provision 29 of the 2024 Code. This will apply to Rotork's accounting period that began on 1 January 2026.

Committee meetings prior to 2025

The Committee considered the new reporting requirements of the 2024 Code on its publication and since then has received regular updates from management on activities in relation to the Company's preparation for compliance with Provision 29. The Committee has maintained oversight of the preparatory process on behalf of the Board, with the Committee Chair providing regular progress reports back to the Board.

The requirements of Provision 29 were reviewed in conjunction with the Company's existing risk and internal control framework, principal risks and risk management process.

An initial review was completed of the proposed material controls and related sources of assurance and testing approaches. The interplay with the overall risk management processes was considered in the round.

A process to identify initial material risks and material controls took place. Workshops were held with control owners throughout the business, to define the proposed list of material controls for the Committee to review. Proposed material controls were then mapped to the proposed material risks.

March 2025 Committee meeting

- A preliminary list of material risks and controls was proposed by management and reviewed by the Committee.

June 2025 Board meeting twice-yearly review of risk appetite and impact table:

- The Board's review informed the proposals put to the July 2025 Committee meeting by management.

July 2025 Committee meeting

- The list of material risks and material controls proposed by management was finalised.
- The proposed framework for assurance on the material controls was proposed to the Committee by management.

October 2025 Committee meeting

- Management and the Head of Internal Audit provided an update to the Committee on the outcome of analysis and testing approach of the proposed material controls.
- The Committee approved management's proposed assurance approach.
- The Internal Audit function reported to the Committee on the design effectiveness testing undertaken.

December 2025 Board meeting twice-yearly review of principal risks:

- In order to ensure a comprehensive approach, a review of the material risks and principal risks together was undertaken.

December 2025 Committee meeting

- The Committee reviewed the proposed annual assurance reporting framework for 2026 onwards as set out by management and the Internal Audit function, which would allow the assessment over the effectiveness of material controls to be made confidently for accounting periods from 1 January 2026 onwards.

Audit Committee performance review

In accordance with its terms of reference, during 2025 the Committee undertook an internally-facilitated review of its own performance as part of the overall internal Board and Committee performance review process. Its findings were discussed by the Committee and the Board, and the review concluded that the Committee continued to fulfil its duties and discharge its responsibilities effectively. Throughout the year, the Committee considered relevant accounting and corporate governance developments, in addition to those in relation to risk and internal controls discussed above.

Looking forward to 2026, the Committee agreed the key areas on which to focus (outside of the ordinary course of business). These are the continued preparations to ensure that the Board can report in compliance with Provision 29 for the Company's accounting period that commenced on 1 January 2026, alongside remaining fully briefed on regulatory developments and reporting requirements (including assurance on sustainability related data).

Minimum Standard

In 2023, the FRC published the 'Audit Committees and the External Audit: Minimum Standard' (the 'Minimum Standard'). The Committee considers that it has met the Minimum Standard.

Janice Stipp
Chair of the Audit Committee
9 March 2026

Dorothy Thompson, CBE
Chair of the Nomination Committee

Nomination Committee report

"Following the changes that occurred to the Board during the course of 2024, 2025 was a year of continuity and strategic progress for the Board."

Dorothy Thompson, CBE
Chair of the Nomination Committee

Committee role and responsibilities

The main role of the Nomination Committee is to lead the appointment process for the Board and ensure that the Company maintains appropriate succession plans for the Board and applicable senior management to support the Company in delivering its strategy and meeting its business requirements. The Committee evaluates and examines the skills and characteristics required to ensure the Board and senior management have the correct balance of attributes and knowledge. This is to ensure they can operate effectively as a whole and are able to deliver the long-term success of the Company, while ensuring that business is conducted with the utmost integrity and in full alignment with the Company's purpose and cultural DNA. Board and Committee composition is formulated to ensure that there is an appropriate range of diverse experience and expertise. The Committee keeps the succession requirements of the Company under regular review and, as part of this responsibility, ensures that appropriate processes are in place for appointing, training and evaluating both directors and senior management.

The Committee's responsibilities include:

- leading the process for Board appointments and making recommendations for appointments to the Board;
- ensuring that robust plans are in place for the orderly succession of both the Board and senior management positions and overseeing the development of a strong and diverse pipeline for such succession;
- reviewing the structure, size and composition of the Board. This includes an ongoing review of the balance of skills, diversity, knowledge and experience of the Board;
- making recommendations to the Board on the composition of its Board Committees;
- annually assessing whether non-executive directors continue to be considered as independent;
- reviewing the time commitment expected from non-executive directors;
- reviewing the Company's Board Diversity and Inclusion Policy in conjunction with the broader diversity and inclusion initiatives across the Company, their objectives and link to Rotork's strategy, how they have been implemented and the progress made on achieving the objectives; and
- oversight of the annual Board performance review process, including a consideration of the recommendations arising from the review.

The current members of the Nomination Committee are:

- Dorothy Thompson (Committee Chair) (member since December 2022 and Committee Chair since April 2023);
- Janice Stipp (member since December 2020); and
- Andrew Heath (member since January 2025).

Further reading:

- **2025 internal Board performance review process on page 96**
- **The mix of skills and experience of the current Board on page 85**

- **Diversity and Inclusion Policy, which is published on our website: www.rotork.com/en/investors/diversity-and-inclusion**
- **Gender Pay Report, which is published on our website: www.rotork.com/en/investors/diversity-and-inclusion**
- **The terms of reference for the Nomination Committee, which were last reviewed in October 2025. A copy of the current terms of reference is published on Rotork's website at: www.rotork.com/en/investors/committees**

Nomination Committee report continued

How the Committee operates

The Committee comprises three independent non-executive directors and this was the case at all times throughout 2025. It meets a minimum of three times in a year and holds additional meetings for any ad hoc business requirements that arise, for example in relation to succession planning. Members of the Committee also hold discussions as required outside of the formal meetings.

During 2025, the Committee met three times. Details of members' attendance at each of the meetings are provided on page 91. The Chief Executive Officer and Group Chief Human Resources & Sustainability Officer also attend the Committee meetings by invitation. The Group General Counsel & Company Secretary acts as secretary to the Committee. The Committee Chair reports to the Board on the key issues covered at each meeting.

The biographies and skillsets of each member of the Nomination Committee can be found on pages 82 and 83

Key activities of the Committee during the year

- Commenced the process for the selection and appointment of a new non-executive director in light of Karin Meurk-Harvey's decision to step down from the Board with effect from the conclusion of the Company's 2026 Annual General Meeting.
- Reviewed the composition of the Board and its Committees, to ensure that the skills and experience of each non-executive director were best utilised. This is to ensure that each Committee continued to operate most effectively and that the interaction between each of the Committees remained effective.
- Reviewed the talent management process, development and succession plans for Rotork's senior leaders.
- Reviewed and approved Rotork's UK Gender Pay Report (including ethnicity pay) made up to the April 2025 snapshot date.
- Reviewed an updated Board Diversity and Inclusion Policy and recommended it to the Board for approval, and thereafter monitored performance against targets set out within the Policy.

Succession planning

Succession planning for the Board and senior management is continuous. The Committee works to ensure that any appointment of a new Board director is subject to a formal, rigorous and transparent process. During the year, the Committee considered the composition, structure and size of the Board and the need to maintain an appropriate range of skills, knowledge, diversity, independence and experience to ensure that the Board and senior management remain appropriately balanced and complementary. The mix of skills and experience of the current Board required to drive Rotork's long-term success is set out on page 85. Additionally, the Committee reviewed the succession plans and leadership development programmes in place for members of the Rotork Management Board.

Non-executive director appointment

In August 2025, Karin Meurk-Harvey advised that she would be stepping down from her role as Non-executive Director on the Board with effect from the conclusion of Rotork's next AGM on 1 May 2026. Alongside Karin's role as a Non-executive Director, she is also a member of the Remuneration and Safety and Sustainability Committees. During the latter half of 2025, the Nomination Committee determined the criteria for the prospective new appointment, looking at the Board's requirements in the round. It then commenced the selection process for a new non-executive director, which is ongoing. The Committee engaged Lygon Group and Egon Zehnder to act as Rotork's search consultants. Except for where it has undertaken previous recruitment processes (such as the recruitment of Andrew Heath and Vanessa Simms), Lygon Group does not have any other connection with the Company or its directors. Except for where it has undertaken certain discrete consultancy projects, Egon Zehnder does not have any other connection with the Company or its directors. Lygon Group and Egon Zehnder are both signatories of the Voluntary Code of Conduct for Executive Search Firms, which is a requirement of our Board Diversity and Inclusion Policy.

The Committee is currently considering a shortlist of potential candidates provided by the search consultants, taking into account the balance of skills, diversity and experience existing on the Board and required for the (to be) vacant role, together with an assessment of the time commitment expected.

Diversity, inclusion and equal opportunity

The Board Diversity and Inclusion Policy provides a high-level summary of the Board's approach to diversity, inclusion and equal opportunity in senior management roles. This is governed in greater detail through the Group's policies. In May 2025, the Committee reviewed and recommended to the Board that the updated policy be approved. The policy can be found on our corporate website at www.rotork.com/en/investors/diversity-and-inclusion. The policy sets out the areas of activity and initiatives currently being undertaken and practised by Rotork, including the diversity-related Sustainable Development Goals, reference to the FTSE Women Leaders Review and the Parker Review, and our continued commitment to the aims of the 30% Club. The Committee endorsed management's initiatives and actions for increased focus on diversity, inclusion and equal opportunity undertaken throughout the business during the year. The Committee noted that, as part of our early careers programme, over 50% of participants are diverse in terms of gender and ethnicity. The Committee also reviewed and approved the publication of the Gender Pay Report figures as at the April 2025 snapshot date, which can be found on our website at: www.rotork.com/en/investors/diversity-and-inclusion. Rotork also publishes its ethnicity pay figures, which are contained within the Gender Pay Report.

The Committee is pleased to report that Rotork continues to meet the requirements under the FCA's UK Listing Rules and Disclosure Guidance and Transparency Rules (DTRs) covering diversity and inclusion reporting for UK listed companies. In particular the three specified targets: (i) at least 40% of the company's board of directors be women; (ii) at least one of the company's senior board positions (Chair, Chief Executive Officer, Senior Independent Director or Chief Financial Officer) be held by a woman; and (iii) at least one member of the company's board be from a minority ethnic background.

As at 9 March 2026, Dorothy Thompson held office as Chair, female Board representation was 50% and ethnic minority representation on the Board was 25%. The numerical data on the gender identity and ethnic diversity of the Board and executive management is set out in the tables on page 118. The data has been collected through a voluntary survey mechanism, and is self-reported against the categories set out in UK Listing Rule 6 Annex 1R.

Nomination Committee report continued

Internal Board performance review process

During the year an internally facilitated performance review of the Board, its Committees and the Chair was undertaken in line with the Committee's terms of reference and provisions of the 2024 Code. This was facilitated by the Group General Counsel & Company Secretary, working closely with the Chair, Chairs of the Board Committees and the Senior Independent Director. As part of the process, the Committee reviewed how it had discharged its responsibilities. An independent external Board evaluation was last undertaken in 2023, and more details in relation to that external evaluation can be found in the 2023 Annual Report. The next external Board performance review is due in 2026 and, as such, it is intended that an externally facilitated review will be undertaken during 2026. Further details of the full evaluation process can be found on page 96.

Nomination Committee performance review process

The Committee carried out an internally facilitated review of its performance as part of the overall internal Board and Committee evaluation in 2025 and its findings were discussed by both the Committee and the Board. As part of the process, the Committee reviewed how it had discharged its responsibilities. It was concluded that the Committee continued to fulfil its duties effectively. The key focus area identified for 2026 was the continued succession planning activities, especially in relation to the recruitment of a new non-executive director.

Re-election of directors

Led by the Committee Chair it was concluded that, based on an assessment of the individual skills, relevant experience, contributions and time commitment of the non-executive directors and taking into account their other offices and interests held, all those non-executive directors standing for re-election in 2026 remain independent and committed to their role and continue to be highly effective members of the Board. The Board continues to be mindful of the number of external appointments held by directors. In July 2025, the Board External Appointments Policy was reviewed. Set within the context and expectations of the 2024 Code, it details the Company's approach to external appointments for both Board and Rotork Management Board members. The emphasis is on ensuring directors have sufficient time to meet their Rotork Board responsibilities, including during any periods of additional time requirements. All prospective external appointments for non-executive or executive directors require Board approval following prior consultation with, and the support of, the Chair or the Senior Independent Director.

Noting that Karin Meurk-Harvey will not seek re-election to office, stepping down from the Board with effect from the conclusion of the 2026 AGM, the Board is recommending the re-election to office of all remaining directors at the 2026 AGM. The biographical details of the directors are set out in the AGM Notice and on pages 82 and 83. Details of the service agreements for the executive directors and letters of appointment for the non-executive directors are set out in the Directors' Remuneration Report on page 144.

Dorothy Thompson, CBE
Chair of the Nomination Committee
9 March 2026

Nomination Committee report continued

Gender identity or sex of the Board and executive management as at 31 December 2025[i]

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	4	50.00%	3	9	81.82%
Women	4	50.00%	1	2	18.18%
Not specified/prefer not to say	0	0%	0	0	0%

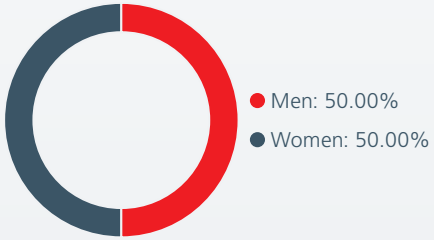
Ethnic background of the Board and executive management as at 31 December 2025[i]

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority White groups)	6	75.00%	3	9	81.82%
Mixed/multiple ethnic groups	0	0%	0	0	0%
Asian/Asian British	2	25.00%	1	2	18.18%
Black/African/ Caribbean/Black British	0	0%	0	0	0%
Other ethnic group	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

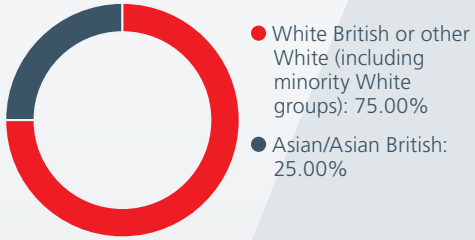
(i) Data self-reported against the categories set out in UKLR 6 Annex 1R. Rotork's executive management is defined as the members of the Rotork Management Board.

Rotork plc Board as at 31 December 2025[i]

Gender identity or sex

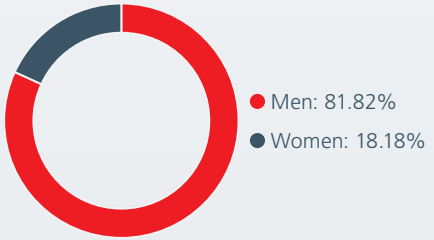


Ethnic background

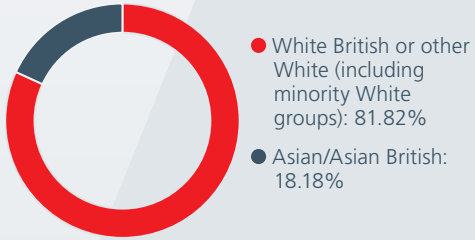


Executive management – the Rotork Management Board as at 31 December 2025[i]

Gender identity or sex



Ethnic background



Svein Richard Brandtzæg
Chair of the Remuneration Committee

Directors' Remuneration report

"I am pleased to present the 2025 Directors' Remuneration Report. As a Committee we have dedicated substantial time during 2025 to reviewing the current remuneration policy and to consulting with investors. Following the feedback received, we are proposing certain policy refinements to be put before shareholders at the 2026 AGM to ensure our remuneration approach continues to align with our Growth+ strategy. We are grateful to those who shared their thoughts with us during the shareholder engagement process. The Committee remains cognisant of the need to ensure remuneration outcomes are aligned with the Growth+ strategy and the interests of our various stakeholders. We believe that our proposed new remuneration policy will achieve this by focusing management's efforts on delivering the Company's long-term strategy."

Svein Richard Brandtzæg
Chair of the Remuneration Committee

Committee role and responsibilities

The main role of the Committee is to establish a remuneration policy for executive director remuneration and determine matters relating to the remuneration of the Company's executive directors and the Rotork Management Board, which are aligned with the long-term success of the Company and its shareholders, and enable the Company to attract, retain and incentivise executive directors and the Rotork Management Board.

The Committee's responsibilities include:

- determining individual remuneration packages for the executive directors, the Chair and, on the advice of the Chief Executive Officer, the Rotork Management Board within the approved policy;
- selecting the measures and setting the performance criteria for the annual bonus and LTIP and, at the end of their performance periods, evaluating performance against the criteria and considering whether any discretion should be applied when determining the level of payment;
- agreeing the terms and conditions to be included in service agreements for executive directors, including termination payments;
- selecting, appointing and setting the terms of engagement with any remuneration consultants which may advise the Committee;
- monitoring the principles and structures of remuneration across the Group to ensure they are applied consistently and fairly. The Committee reviews internal relativities, pay ratios and gender and ethnicity pay gaps, and invites the Group Chief Human Resources & Sustainability Officer to its meetings to provide a broader picture of workforce remuneration;
- taking into account guidance issued by shareholders, their representative bodies and proxy agencies (including the Investment Association, Institutional Shareholder Services and Glass Lewis); and
- taking into consideration shareholders' interests, any views expressed by them during the year (including at the Company's AGM) and encouraging an open dialogue with the Company's largest shareholders. This includes advance consultation with major shareholders about any proposed changes to the policy or any significant proposed changes to its implementation.

The current members of the Remuneration Committee are:

- Svein Richard Brandtzæg (Committee Chair, appointed on 1 January 2025);
- Andrew Heath (member since May 2024); and
- Karin Meurk-Harvey (member since September 2021).

Rotork's key remuneration principles

The Remuneration Committee remains committed towards remuneration being:

- performance driven, competitive and fair;
- motivating, affordable and proportionate;
- aligned to shareholders' interests; and
- globally relevant and transparent.

Annual statement by the Chair of the Remuneration Committee

Dear Shareholder

On behalf of the Board, I am pleased to present the Remuneration Committee's report for the financial year ended 31 December 2025. This is my second report to shareholders since being appointed as Chair of the Committee on 1 January 2025.

2025 was another year of progress under Kiet Huynh's leadership of the Growth+ strategy, which has driven sustained growth, improved margins and enhanced returns since 2022. We took decisions on directors' and senior managers' (our Rotork Management Board) compensation thoughtfully during the year, while considering the wider workforce and the overall experience of the Company's employees.

Rotork's core purpose of 'keeping the world flowing for future generations' is inherent in the Company's Growth+ strategy. Rotork's values and cultural DNA act as the foundation to the manner in which the Company's executive team and employees continue to deliver the Growth+ strategy. The Committee keeps the Company's purpose, values and cultural DNA under consideration when making remuneration decisions, and has taken them into account as part of the proposed refinements to our remuneration policy.

Priorities and key activities for the Committee in 2025 included:

- a detailed evaluation of the current remuneration policy, considering how it has operated over the last three years and the nature of proposed refinements to ensure that it operates effectively to drive the Company's strategy over the next three years. The Committee felt that the current remuneration policy has served the Company well over the last three years, but also considers that certain enhancements are now necessary to ensure it remains fit for purpose for the next three years;
- an informative consultation process with the Company's major shareholders and three leading proxy agencies on the proposed enhancements to the 2026 remuneration Policy (the 'Policy') and its implementation was undertaken. The Board Chair and I met with 11 investors and two proxy agencies, who all provided feedback, alongside comments from two further shareholders. The consultation meetings were particularly helpful, as they enabled us to explain the strategic rationale for the proposed LTIP Total Shareholder Return (TSR) multiplier, the introduction of the revenue growth measure in the LTIP core award and how these align to the Growth+ strategy and the long-term interests of the Company and shareholders. Details of the proposed remuneration Policy enhancements are set out on pages 128 to 134;
- a determination of the 55.8% vesting levels for the LTIPs granted in 2022, which vested in 2025, with no exercise of discretion required. The Committee reaffirmed its decision that there should be no adjustments to the LTIP targets or in-flight LTIP awards;
- for LTIP awards granted from 2023 onwards (under the current remuneration policy) an environmental measure was incorporated, which accounts for 10% of the maximum opportunity. The measure is an absolute reduction in Scope 1 and 2 CO_2 (market-based) emissions (against the 2020 base year), with targets aligned to the accredited and published 2030 Science Based Targets initiative (SBTi) targets. The Committee has continued to monitor the performance of in-flight awards and has received updates on the systems and processes for generating and assuring such performance data. In advance of the Committee determining the vesting outcomes for the 2023 LTIP awards that vest in March 2026, the Safety and Sustainability and Audit Committees reviewed the assurance data to support the vesting outcome for this measure and then made a recommendation to the Remuneration Committee on the same;
- reviewing a report on the outcomes of the wider workforce's pay and incentive schemes, to understand the context in which to determine the executive directors' remuneration outcomes; and
- undertaking an annual review of the Company's global pay and benefits structure, as part of its ongoing responsibility to make decisions about executive director and senior management remuneration with the context of the pay and benefits available to the wider workforce. As part of this review, the Committee considered how Rotork balances the need to attract and retain talent through locally relevant pay and benefits offerings, while ensuring equity of benefits across the business. The Committee also reflected on the link between performance and reward throughout the organisation and in particular how this operates over the longer term to reinforce a more performance-based culture.

Rationale for the proposed remuneration Policy and its future operation

Rotork has delivered significant growth over the last three years. Following the appointment of Kiet Huynh (as CEO) in January 2022 and the introduction of the Growth+ strategy later that year, there has been strong growth in organic sales, margins and earnings, while ROCE has continued to expand. However, we feel that the current incentive measures do not fully capture the strategic priorities driving this success.

Over the last three years, on a reported basis the business has (on average) achieved mid to high single-digit revenue growth, driven by the three pillars of the Growth+ strategy – Target Segments, Customer Value and Innovative Products and Services. Driven by strong OCC Target Segment growth, revenues increased from £641.8m in 2022 to £777.3m in 2025. A focus on operational execution has driven the adjusted operating margin from 22.3% to 24.6% and disciplined capital allocation has resulted in an increase in ROCE to 38.4%. As at 31 December 2025, the Company was ranked at position 124 in the FTSE All-Share Index.

The financial ambition behind the Growth+ strategy is mid to high single-digit revenue growth and mid-20s adjusted operating margin over time. Having undertaken an in-depth review, we felt that this is not adequately captured in the current performance measures within the variable incentives.

Following consultation with our largest shareholders and the main proxy voting organisations, we are proposing the introduction of targeted changes to more closely align executive rewards with strategic delivery and shareholder value.

Base salary: we plan to increase executive directors' salaries over the next few years, in a phased manner, to ensure they remain aligned to mid-market levels when benchmarked. Any annual increase will be single digit and conditional on continuing performance of both the individual and the business. The context and explanation for this is set out later in this report.

Annual bonus: we plan to make no changes to the bonus opportunity, method of operation or deferral arrangements. We plan to make a small change to simplify the ESG strategy metric in the annual bonus (which will continue to make up 10% of the opportunity), so that half the metric (5%) would be linked to health and safety and the other half (5%) to employee engagement (including diversity and inclusion). As this is a minor change, it does not constitute a change in the Policy itself.

Directors' Remuneration report continued

Annual statement by the Chair of the Remuneration Committee continued

Long Term Incentive Plan (LTIP): to support a focus on sustained growth, we are proposing the replacement of the 30% weighting on relative TSR with a revenue growth measure (with an expected three-year revenue compound annual growth rate ('CAGR') target range of 5% for threshold vesting, increasing to 9% for stretch vesting) in the core LTIP award. We would then overlay relative TSR as a multiplier to the whole core award outcome. The intention is for this to better align the LTIP measures to the next phase of the delivery of our strategy. For consistency, this approach would apply to all recipients of LTIP awards at Rotork.

As an example, for the CEO, up to 200% of salary (i.e. the maximum outcome for the core award) in LTIP awards would vest for delivering the business performance metrics of revenue growth (30%), adjusted EPS (30%), ROIC (30%) and environmental Scope 1 and 2 emissions reductions (10%). The outcome would then be multiplied by 1.0x (i.e. no change) for up to matching the median TSR against a peer group of companies. This would increase to a multiplier of 1.5x for upper quartile TSR performance (to a maximum outcome of 300% of salary), with a straight-line multiplier for intervening relative TSR ranking. The result would be that if the business performance targets are fully met but the share price does not reflect that performance (which may be due to the potential influence of market factors and cyclicality, rather than anything specific to the Company), there would be no increase in LTIP vesting levels.

The change to the LTIP would result in no higher level of vesting at target/median performance where the multiplier is 1.0x. However, it would enable increased levels of vesting for delivering sustained corporate financial performance if there is a relative TSR outperformance in the three-year performance period, where the multiplier is up to 1.5x. This aligns with the Committee's philosophy of rewarding management for delivering sustained corporate performance.

Shareholding guidelines: the current levels are 350% of salary for the CEO and 300% for the CFO. We feel these remain appropriate, so will be maintained at these levels. We will, however, require that executive directors normally retain all of the shares that they receive from the operation of the Company's incentive share plans (after sales to meet any taxes) and that they have purchased until they reach this level. This approach builds shareholdings quicker than imposing a set date for achieving the shareholding requirement.

Shareholder consultation: we undertook an extensive consultation with our investors from October 2025. As a result of their feedback, we have clarified how the salary increases would operate in future years and provided additional disclosure in this report. The feedback and engagement we received are greatly appreciated by the Committee.

We are also proposing a small number of minor changes in the Policy to either simplify it or seek to ensure that it would not restrict future operations if circumstances required it.

The Committee's approach to remuneration in 2025

The Committee's approach to remuneration arrangements in 2025 across the Company in general, and specifically for the executive directors and the Rotork Management Board, was guided by Rotork's key remuneration principles. Our approach was based on an ongoing sensitive appreciation of the business' performance and the experience of shareholders and employees during the year. The Committee's specific considerations are described below.

Business performance

The Committee continued to monitor the performance of the business closely throughout the 2025 financial year. As is evident in this Annual Report and Accounts, Rotork continued to show progress in 2025.

On an OCC basis, revenue was 3.7% higher when compared with 2024, while adjusted operating profit was £191.5m and the adjusted operating margin was 24.6%. The Committee also noted that order intake increased by 6.0% against 2024, on an OCC basis. Overall, the figures demonstrate the underlying health of the business and the continued strong progress in delivering the Growth+ strategy and Target Segment focus.

Shareholder experience

Rotork's share price was modestly higher in 2025 and a progressive dividend continued to be delivered to shareholders. Rotork remains a highly cash-generative business. Consistent with its capital allocation policy, the Company acquired Noah and returned £50m of cash to shareholders as part of a share buyback programme which ran between April and October 2025. A further £50m share buyback programme commenced in November 2025, with an additional £10m returned to shareholders by the end of 2025.

Employee experience

Under the leadership of the Board and the Rotork Management Board, the Company continues to protect the health (including mental health) and financial wellbeing of its employees, and remains mindful of obligations to other stakeholders. We continue to monitor the cost of living for all our employees globally and we have again considered their experiences when making our remuneration decisions.

As part of the 2025 annual salary review, we took the opportunity to re-align the salary review date for the wider workforce (which had temporarily been brought forward to 1 January in 2023 and 2024) to the traditional 1 April review date. This realigned the wider workforce salary review date with that of the executive directors and members of the Rotork Management Board.

To support the transition, a one-time payment to employees below Rotork Management Board level was made in 2025 to cover any salary increase for the first quarter of the financial year. The average pay increase for the UK workforce (excluding promotions) on 1 April 2025 was 3.9% and was 4.5% globally.

Salary reviews for all executive directors and the Rotork Management Board remained effective from their usual date of 1 April 2025.

All Rotork employees continue to participate in a discretionary bonus scheme with targets based on a combination of the performance of their local business and the performance of the Group. The 2025 payout for employee groups in the wider workforce (to be paid in 2026) averaged 113.80% of the normal maximum opportunity. The normal maximum opportunity was exceeded because performance hit the stretch targets that are an element of the wider workforce bonus scheme. This is in line with the wider workforce average payout for 2024.

The business continued to support the physical and mental health of employees through the global Employee Assistance Programme (EAP). Our independent charity, the Rotork Benevolent Support, maintained support for employees, ex-employees and their families suffering hardship.

86% of our employees globally participated in our externally facilitated annual employee engagement survey in 2025, representing a 6% increase on an already high participation rate in 2024. In addition to an increase in the participation rate in 2025, our engagement survey results illustrated a year-on-year increase in the level of engagement score, outperforming similar organisations who were also undertaking their second year using the external engagement partner.

Directors' Remuneration report continued

Annual statement by the Chair of the Remuneration Committee continued

Employee experience continued

In recognition of our responsibility to help reduce inequality and to contribute to a fairer society more broadly, Rotork committed to a Real Living Wage Policy in 2020. Since then, we have ensured any employee is paid above this level where a published rate exists in a country. Rotork is an accredited Real Living Wage Employer in the UK.

The Group's Fair Pay Framework guides Rotork's reward policies, procedures, systems and decision making globally in support of a commitment to deliver fair and competitive remuneration in line with our remuneration principles and a 'real living wage' to employees where this exists in a country. This provides assurance that processes are non-discriminatory and operate to help reduce any gender or ethnicity pay gaps. Employees are made aware of the Framework as part of their induction and it is published on the employee intranet. Additional training is provided to all decision-makers within the business to ensure that the Framework is applied and decisions are also subject to moderation by the HR function.

Overall, the Committee's assessment of the employee experience is that Rotork has acted responsibly towards all employees and has proactively supported their health (including mental health) and financial wellbeing during 2025. The Committee also believes that Rotork has maintained a pay culture, pay policies and frameworks that support wider societal views throughout 2025 and are appropriate to support the performance of the Group.

Remuneration outcomes for 2025

Salary

As explained in last year's report, the CEO, Kiet Huynh, received a base salary increase of 3.9% and the CFO, Ben Peacock, received an increase of 6.0%, which were both effective from 1 April 2025. This increase took their base salaries to £709,585 and £455,800 respectively.

For the reasons explained in last year's report, the Committee increased the Chair's fee level by 18% to £320,000 and the Senior Independent Director's additional fee by 13.3% to £12,000, both with effect from 1 April 2025. The Board increased the non-executive director base fees and their fees for additional responsibilities (excluding the Senior Independent Director's fee) by 3.9% (matching that of the wider UK workforce increase, excluding promotions), effective from 1 April 2025.

Annual bonus

The 2025 annual bonus performance metrics (which remained unchanged from 2024) were based on: adjusted operating profit performance (60% of opportunity); cash generation (15% of opportunity); ESG measures (10% of opportunity) including total recordable incident rate (TRIR), together with a mix of quantitative targets covering culture and engagement scores and qualitative targets focused on environmental innovation, particularly in relation to products; and strategic personal objectives (15% of opportunity). For full details see pages 137 to 138.

Having reviewed performance against these targets, alongside the strategic personal objectives, the Committee decided that the level of payout, expressed as a percentage of the maximum opportunity, should be 83.60% for Kiet Huynh and 84.10% for Ben Peacock, with no need for discretion to be applied. In approving this level of payout for the executive directors, the Committee noted that at this level:

- the 2025 payout results in an award, as a percentage of the maximum opportunity, at an average of 4 percentage points lower than in 2024, compared to OCC adjusted operating profit growth of 10.0%;
- the payout results in an award for the CEO of 125.40% of salary compared to 131.85% for 2024. The CFO's payout results in an award of 105.13% of salary compared to 111.13% of salary earned during the time served in 2024; and
- the 2025 payout for employee groups in the wider workforce averaged 113.80% of the normal maximum opportunity. The normal maximum opportunity was exceeded because performance hit the stretch targets that are an element of the wider workforce bonus scheme. This is in line with the wider workforce average payout for 2024.

The Committee was therefore satisfied that the bonus award to the executive directors was aligned with Rotork's key remuneration principles and the performance of the business. It was also appropriate and fair in comparison with the wider workforce.

Under the current remuneration policy, any annual bonus awarded to executive directors greater than 60% of the maximum opportunity is deferred in shares for three years under the Deferred Annual Bonus Plan. Accordingly, in respect of the annual bonus award for 2025, 35.6% and 30.1% of current salary for each of Kiet Huynh and Ben Peacock respectively will be deferred in shares for three years under this plan.

LTIP

The outturn for the 2023 LTIP award, which vests in March 2026, is based on four performance metrics that relate to growth in adjusted earnings per share (EPS) (30%), relative total shareholder return (TSR) over three years (30%), the rate of growth in economic profit (a return on invested capital (ROIC) measure) (30%) over the three financial years to December 2025 and an absolute reduction in Scope 1 and 2 CO_2 (market-based) emissions against a 2020 base year.

The outcomes of each of the performance measures over the three-year performance period were as follows. Adjusted EPS grew by 33.6% over the period, resulting in 95.80% vesting for this part of the award. Rotork's relative TSR ranking within its comparator group exceeded the ranking required for threshold vesting but did not exceed the ranking required for maximum vesting, resulting in 43.30% vesting for this part of the award. Economic profit (ROIC) was £169.4m, exceeding the target of £158.7m or more required for maximum vesting, resulting in 100% vesting for this part of the award. A 43% absolute reduction in Scope 1 and 2 CO_2 emissions (market-based) compared against the 2020 base year was achieved, exceeding the 39% reduction required for maximum vesting, resulting in 100% vesting for this tranche of the award.

Taken together, this resulted in an overall level of vesting of 81.7% for the 2023 LTIP award. Having reviewed share price movements over the three-year performance period, the Committee is satisfied that no windfall gains were made in relation to the 2023 LTIP. The Committee was also satisfied that no element of discretion needed to be applied against the formulaic vesting outcomes.

During 2025, LTIP awards were granted to the executive directors, a group of senior managers and a number of less senior, high-performing and talented employees. In accordance with the current policy, awards equal to 200% of salary for the CEO and 175% of salary for the CFO were granted. The Committee will, at vesting, as part of its normal review of formulaic remuneration outcomes, explicitly look at the value of these awards relative to the shareholder and employee experience over the same period. All recipients accepted the terms of grant in writing, including those related to malus and clawback, as a condition of receipt of the award.

Directors' Remuneration report continued

Annual statement by the Chair of the Remuneration Committee continued

Overall level of remuneration in 2025

The Committee carefully considered the extent to which the overall remuneration outturn for executive directors reflected the substantive performance of the business and both the shareholder and employee experience during the year. A review of base salary, annual bonus and 2023 LTIP outturns (relevant to the CEO only) were reviewed as part of this. The Committee was satisfied that the overall outcome was fair, appropriate and proportionate and in line with the pay culture and approach at Rotork.

Full details of the targets and performance against them for both the annual bonus plan and the 2023 LTIP are set out on pages 137 to 139.

Looking forward to remuneration in 2026

The structure of remuneration in 2026 will be broadly consistent with 2025, and (on the basis that the proposed Policy amendments are approved by shareholders at the 2026 AGM) in accordance with the new Policy.

2026 base salary review

As I mentioned earlier, as part of the Policy review process, we consulted our major shareholders and the main proxy voting agencies on proposals to increase the executive directors' salaries over the next few years, in a phased manner. The annual increases will be single digit and will be conditional on continuing performance of both the individual and the business.

The proposals have been designed to reflect the increased size and complexity of the business and the exceptional contributions of the executive directors in delivering sustained strong business performance to date and to incentivise continued strong performance.

The Committee firmly believes that the executive directors should receive a fair and appropriate level of remuneration for their role and contribution to the business. As a cross-check, we compared their packages to the market and identified that both base salary levels and incentive opportunity levels have fallen materially behind the mid-market level while Rotork's performance has been strong. This creates both a retention risk and salary compression issues among senior managers. We carried out benchmarking against comparable FTSE 70–170 companies (reflecting Rotork's ranking at the time of circa 120) and companies in our broad sector, with a similar size (Coats, Renishaw, Qinetiq, Spectris, Babcock, IMI, Spirax and Weir).

We assessed that base salaries were c.12% below the mid-market level and that the incentive opportunity was c.50% of salary below the mid-market opportunity level. The combination of this left total target remuneration in the lower quartile and c.20% below the mid-market level.

The proposal we consulted on involved:

(i) phased salary increases for the CEO and CFO, which will be effective over the three-year Policy period. The CEO's and CFO's salary will be increased by an above-inflation rate (plus the average increase for the UK workforce, absent promotions of 3.2%) in 2026. We then intend to align the executive directors' salaries to the mid-market levels with subsequent annual increases. The Committee would prefer to reset salaries in one move but understands investor preference for large base salary increases to be implemented in phases and remain subject to both personal and business performance;

(ii) a change in the LTIP design to better reflect the Growth+ strategy with an increase in the LTIP opportunity as described earlier; and

(iii) no changes to the required levels of shareholding or the bonus plan (other than a minor change to simplify the elements measured within the 10% ESG metric of the annual cash bonus opportunity).

These changes reflect the increased complexity of the Rotork business over the last three years and better reflect the excellent past performance, experience and skills of the executive team. Since the introduction of the Growth+ strategy in 2022, we have seen good growth in organic sales, margins and earnings, while ROCE has continued to expand. On an OCC basis, revenue was 3.7% higher than in 2024. The business has achieved mid to high single-digit revenue growth over the last three years, with revenue (on an OCC basis) growing from £641.8m in 2022 to £777.3m in 2025. The adjusted operating profit for 2025 was £191.5m, resulting in an adjusted operating margin of 24.6%. Rotork's order intake has also increased by 5.2% against 2024. The Group's revenue continues to be international, with 94% of Group revenue (on a reported basis) in 2025 originating from outside the UK, a 1% increase on prior year.

We intend to make increases to then position the CEO and CFO around the median of the peer groups for base salary and between the current lower quartile and median for the total target remuneration. While the bonus opportunity will remain at below market levels, the change to the LTIP will position the maximum total remuneration at, or slightly above, the median. This reflects the leverage created by the TSR multiplier (which delivers nothing for simply matching the median-ranked company in the TSR peer group).

In the first phase of realigning base salary levels, Kiet Huynh will receive a base salary increase of 9.5%, taking his salary to £776,996 effective from 1 April 2026. Ben Peacock will also receive a base salary increase of 9.5%, taking his salary to £499,101 effective from 1 April 2026.

2026 Chair and non-executive directors' fees

The Committee determined that the Chair's fee would be increased by 3.2% (in line with the average for the UK workforce (excluding promotions) to £330,200 from 1 April 2026.

The Board has determined that the non-executive director base fee and their fees for additional responsibilities (except for the fee for the Audit and Remuneration Committee Chair roles) will increase by 3.2% (in line with the wider UK workforce increase (excluding promotions) from 1 April 2026, as approved by the Board. The Board approved that the fee for the additional responsibilities of the Audit and Remuneration Committee Chair roles would increase by 10.3% from 1 April 2026, given that the benchmarking exercise indicated that the levels were falling behind the median.

Pensions

At Rotork, the UK basic rate of pension is 9% but as Rotork passes on savings in National Insurance (NI) from the sacrificed salary to employees, the majority pension contribution rate in the UK is 10.35% at current NI contribution levels. In accordance with the current remuneration policy, the pension allowance for the executive directors is aligned to the contribution available for the majority of the wider workforce (10.35%).

Directors' Remuneration report continued

Annual statement by the Chair of the Remuneration Committee continued

2026 annual bonus opportunity

In line with the current remuneration policy the maximum opportunity for Kiet Huynh and Ben Peacock will remain at 150% and 125% of salary respectively. The performance metrics will be:

- adjusted operating profit performance (60% of opportunity) – the bonus plan is based on the 2026 budget approved by the Board;
- cash generation (15% opportunity) – the target to achieve the maximum outturn will remain at 110%, reflecting the importance of the sustained focus on cash generation;
- ESG (10% of opportunity) – measures will be aligned to the three pillars of the sustainability strategy, as set by the Safety and Sustainability Committee, but exclude environmental emissions reductions which will remain part of the LTIP opportunity. Half of the opportunity will continue to be based on the TRIR health and safety measure, with a threshold set at 0.26 and a maximum set at 0.20. The other half of the opportunity will be linked to quantitative targets set to cover employee engagement (including in relation to diversity and inclusion); and
- strategic initiatives (15% of opportunity) – these will be set for the executive directors with a focus on the continued strategic development and innovation of the business and delivery of the Growth+ strategy.

In accordance with the remuneration Policy, any annual bonus payout in excess of 60% of the maximum opportunity will be deferred in shares under the Deferred Annual Bonus Plan.

As is usual, executive directors will be invited to participate and must agree in writing to all the conditions pertaining to the annual bonus plan, including those relating to malus and clawback and to the post-cessation of employment shareholding arrangements that will apply to the portion of the annual bonus deferred in shares under the Deferred Annual Bonus Plan.

2026 LTIP

In line with the proposed remuneration Policy, and subject to its approval by shareholders at the 2026 AGM, the maximum opportunity for Kiet Huynh as CEO and Ben Peacock as CFO will be a core award of 200% and 175% of salary respectively. This would then be multiplied by between 1.0x (i.e. no change) and 1.5x based on Rotork's relative TSR performance (the TSR multiplier).

The structure of the 2026 LTIP performance conditions and metrics (with a performance period of three financial years) will be as set out below:

- revenue growth (30% of the core award opportunity) – the threshold and maximum to be set at 5% and 9% CAGR over the 2025 level by the end of 2028 respectively, with straight-line vesting between these points;
- adjusted EPS (30% of the core award opportunity) – the threshold and maximum to be set at 4% and 10.5% CAGR growth over the 2025 adjusted EPS by the end of 2028 respectively, with straight-line vesting between these points. This is an increase in the growth required at threshold from 2025, which was a 2.9% CAGR;
- economic profit (ROIC) (30% of the core award opportunity) – performance will be measured against the long-term plan for the business. Maximum award will require a growth rate over the period equivalent to more than 11.1% CAGR in profit after tax; and
- absolute reduction in Scope 1 and 2 CO_2 emissions (market-based) from a 2020 base (10% of the core award opportunity) – maximum performance will represent a reduction of 53% by the end of 2028. This stretch target is ambitious and in line with the SBTi's forward-looking ambition adjustment methodology. Threshold performance will represent a reduction of 50%.

The proportion of maximum earned at threshold performance is 25% for revenue growth, adjusted EPS and emissions reduction and 0% for ROIC.

The outcome of the above performance conditions will then be multiplied by the relative TSR multiplier. This is determined by the relative TSR compared against a selected list of constituents of the FTSE 350 Industrial Goods and Services sector (the 15 companies are footnoted below).[1] For a ranking of median or lower the multiplier will be 1.0x (i.e. no change), rising on a straight-line basis to 1.5x for an upper quartile or above ranking. Should the relative TSR multiplier operate at 1.5x, this would bring the maximum opportunity for the CEO to 300% of base salary and for the CFO to 262.5% of base salary.

As currently, the LTIP awards will attract dividend equivalents in the form of additional shares and will be subject to the same post-vesting holding period requirements. To allow for the awards to be made under the proposed 2026 remuneration Policy, subject to its approval by shareholders, we intend that the awards would be granted shortly after the 2026 AGM. They would be subject to the executive directors agreeing in writing to all the conditions under which the awards are made, including the appropriate malus and clawback and post-cessation of employment shareholding arrangements that will apply to these awards.

Wider workforce remuneration matters

Our key remuneration principles provide the foundation for a fair pay agenda at Rotork and this has been reflected in our approach to pay and remuneration during 2025.

We look to apply the key remuneration principles, along with our Fair Pay Framework, consistently throughout the business and seek to ensure there is consistency in how we structure pay so that performance measures and incentives reinforce the right behaviours. If specific actions are necessary to satisfy governance expectations or are required under the remuneration Policy, these are made once the right remuneration structure for the business has been set.

Our Fair Pay Framework helps ensure standards are met throughout Rotork's operations globally, including ensuring our approaches and decisions are non-discriminatory.

The Committee keeps the business' performance on any potentially discriminatory factors under regular review. Gender pay gap metrics are reviewed each year before they are published, as is the gender-based distribution of pay increases, promotions and bonus awards. We have also focused our attention on pay and ethnicity and the Committee now reviews these metrics in addition to gender-related metrics. We have again published our ethnicity pay gap alongside our Gender Pay Report.

Recruitment processes are reviewed to help remove potential bias in order to help the business have access to the whole talent pool and to help ensure that there is no bias against any potential employees.

The Company considers employee participation in the success of the business to be a key part of the Company's overall remuneration strategy which aligns the interests of employees and shareholders and helps to recruit, retain and motivate employees at all levels within the Group. Rotork offers discretionary annual bonus opportunities to all employees, regardless of role, offers share ownership schemes where practicable and delivers a profit-sharing programme to the vast majority of employees. The Committee believes that this approach provides a meaningful and important incentive to employees in promoting share ownership at all levels in the Group.

Notwithstanding the considerable progress that has been made, we set ourselves high standards and will continue to review and update our approaches and continue to commit to doing the right thing. More details are provided in the 'Making a positive social impact' section on pages 49 to 54.

1 The companies are Bodycote, DCC, Diploma, discoverIE Group, Goodwin, Halma, IMI, Morgan Advanced MRA, Oxford Instruments, Renishaw, RS Group, Smiths Group, Spirax, Vesuvius and Weir.

Directors' Remuneration report continued

Annual statement by the Chair of the Remuneration Committee continued

How the Remuneration Committee operates

The Committee currently comprises three independent non-executive directors and this was the case throughout 2025. I was appointed as Committee Chair on 1 January 2025, and I am also a member of the Audit Committee which facilitates valuable cross-committee insights on assurance-related aspects of remuneration decisions. Andrew Heath has been a member of the Remuneration Committee since 1 May 2024 and has brought valuable insight including from his role as Chair of the Safety and Sustainability Committee. Karin Meurk-Harvey has been a member of the Remuneration Committee since September 2021 and is also a member of the Safety and Sustainability Committee.

The Remuneration Committee meets a minimum of three times a year and will hold additional meetings for any ad hoc business requirements that arise, as it did in 2025 with additional meetings to discuss, in particular, the remuneration Policy proposals outlined above. Members of the Committee also hold discussions as required outside of the formal meetings. During 2025, given the important discussions that the Committee held on the proposed enhancements to the remuneration Policy, the Committee met formally five times. Details of members' attendance at each of the meetings are provided on page 91. The Group General Counsel & Company Secretary acts as secretary to the Committee.

The Committee is keen to ensure that its deliberations and decisions are undertaken in the fullest context of the business and taking into account how employees across the Group are rewarded, as well as ensuring that its decisions are made in the most transparent manner possible. To that end, the Committee invites the Group Chief Human Resources & Sustainability Officer to its meetings to provide this wider context and to ensure that all its decisions remain aligned with Rotork's values and culture, which remain fundamental to support the delivery of the Growth+ strategy.

The Board Chair is invited to attend Committee meetings and provides input about the performance and remuneration of the Chief Executive Officer and Chief Financial Officer. The Chief Executive Officer and Chief Financial Officer are invited to attend parts of certain meetings but are not present when their own remuneration is considered. A representative from the Committee's remuneration advisers, Korn Ferry, attends Committee meetings to provide independent remuneration and ancillary governance advice.

I would like thank my fellow Committee members, for their important contributions to the Committee throughout 2025, all our colleagues across the business for their hard work and support during the past year and also the shareholders who inputted into our consultation process as we worked upon the proposed enhancements to the remuneration Policy.

Remuneration Committee performance review

The Committee carried out an internally facilitated review of its performance as part of the overall internal Board and Committee evaluation in 2025 and its findings were discussed by the Committee and the Board. The review concluded that the Committee continued to fulfil its duties and discharge its responsibilities effectively and had worked through issues in a focused and thoughtful way. It has also collaborated effectively, when necessary, with the other Board Committees especially on matters such as financial performance and assurance of sustainability data relevant to remuneration arrangements.

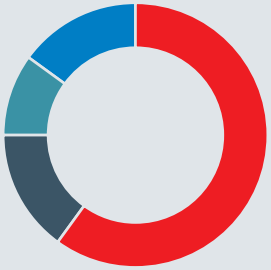
The terms of reference for the Remuneration Committee were last reviewed in October 2025. A copy of the current terms of reference is published on Rotork's website at: www.rotork.com/en/investors/committees.

Svein Richard Brandtzæg
Chair of the Remuneration Committee
9 March 2026

Annual bonus and LTIP performance measures

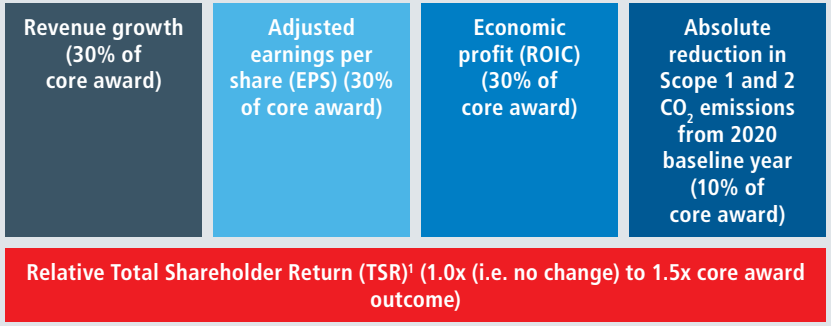
The diagram below shows the performance measures for the annual bonus and LTIP under the proposed remuneration Policy. Performance measures are aligned to our Growth+ strategy.

Annual bonus opportunity



- Adjusted operating profit 60%
- Cash generation 15%
- ESG strategy 10%
- Strategic initiatives 15%

LTIP



Note:

The LTIP core award (before the TSR multiplier) would operate as a maximum opportunity of 200% of base salary for the CEO and 175% of base salary for the CFO.

1 Relative TSR compared to a selected list of constituents of the FTSE 350 Industrial Goods and Services Sector.

Remuneration at a glance

Implementation of our remuneration policy in 2025

Purpose	Element	Kiet Huynh (Chief Executive Officer)	Ben Peacock (Chief Financial Officer)
Attract and retain high-calibre executive directors	**Salary**[1]	£703k	£449K
	Benefits	Benefits comprise a car allowance, life assurance, personal accident and private medical insurance.	
	Pension	Fixed at the rate available to the majority of the workforce in the country in which the director operates. As at the date of this report in the UK this is 10.35% of salary.	
Drive and reward short-term performance	**Annual bonus**	150% of salary maximum (90% salary on target).	125% of salary maximum (75% salary on target).
		Based on profit, cash generation, ESG and personal targets. There is a deferral of any annual bonus earned above 60% of the maximum opportunity for three years in Rotork plc shares under the Deferred Annual Bonus Plan.	
Incentivise long-term value creation and provide alignment with shareholders	**Long Term Incentive Plan (LTIP)**	200% of salary performance share award.	175% of salary performance share award.
		Based on adjusted earnings per share (EPS), relative total shareholder return (TSR), growth in economic profit assessed over a three-year performance period (ROIC) and absolute reduction in Scope 1 and 2 CO_2 emissions (market-based) with targets aligned to the accredited, published 2030 SBTi targets. A two-year post-vesting holding period applies, together with malus and clawback provisions.	
Provide alignment with shareholders	**Shareholding requirements**	350% of salary.	300% of salary.
		Executive directors are required to build a shareholding equal to their variable pay opportunity within five years of appointment. A requirement to hold 200% of salary in shares will apply for two years after cessation of employment subject to the shares having been acquired from share awards made after the approval of the 2020 remuneration policy (but does not apply to shares held which were purchased with the executive's own funds).	
Total remuneration opportunity at on-target performance		**£1,835k**	**£786k**
Actual total remuneration for 2025		**£2,670k**	**£995k**

1 The figure stated reflects the actual amounts received during the 2025 financial year. As at 31 December 2025, Kiet Huynh's annual salary was £709,585 and Ben Peacock's annual salary was £455,800.

Directors' Remuneration report continued

Remuneration at a glance continued

Performance outcomes for the 2025 financial year

The table below sets out how the annual bonus and LTIP awards have vested for the financial year ended 31 December 2025 based on performance against target.

Award	Measure	Performance	Kiet Huynh	Ben Peacock
2025 annual bonus	• Profit (60%) • Cash generation (15%) • ESG (10%) • Strategic personal objectives (15%)	• 56.0% achieved • 9.6% achieved • 5.5% achieved • Kiet Huynh: 12.5% achieved • Ben Peacock: 13% achieved	83.6% of maximum awarded	84.1% of maximum awarded
2023 LTIP award	• EPS growth (30%) • TSR (30%) • Economic profit (30%) • Scope 1 and 2 CO_2 emissions reduction (10%)	• 95.8% of maximum • 43.3% of maximum • 100% of maximum • 100% of maximum	81.7% of maximum vesting	N/A

How our remuneration policy supports Rotork's strategy

Our remuneration policy has been developed to enable Rotork to recruit and appropriately reward an executive team of the calibre required to lead our global business to deliver the best outcomes for all our stakeholders. We aim to pay competitively against the talent pools from which we recruit with a significant proportion of pay linked directly to the performance of the business and delivered in Rotork's shares to ensure strong long-term alignment with shareholders.

Our aim is to deliver strong and sustainable margins, consistent year-on-year growth in revenues and profit and a high return on capital which, combined with our asset-light model, delivers strong cash generation. The financial measures in our incentive plans reflect these priorities and our long-term financial objectives.

Strategic priorities	Bonus	LTIP
Innovation	• Strategic targets	• Economic profit (ROIC) measure
Operational excellence	• Cash generation measure and strategic initiative targets	• Not applicable
Growth	• Profit measure	• Revenue growth measure[1] • Adjusted earnings per share measure • Relative total shareholder return multiplier[2]
Sustainability	• ESG (including safety) measures • Deferral into shares • Malus and clawback provisions	• Five-year time horizon (three-year performance period and two-year holding period) • Malus and clawback provisions • Absolute reduction in Scope 1 and 2 CO_2 emissions (2020 base year) with targets at least as demanding as the path required to meet the published 2030 SBTi target/aligned to the SBTi's forward-looking ambition adjustment guidelines

1 Under the proposed remuneration Policy, this would be a performance measure in the core LTIP award.

2 Under the proposed remuneration Policy, relative TSR would be a multiplier to the core LTIP award performance measures.

Performance measures

Performance measures are used to determine the extent of any awards made under the variable elements of the executive directors' remuneration, both annual bonus and LTIP. The performance measures are selected because of their use as key performance indicators (KPIs) to assess Company performance and to align the interests of the directors to those of the shareholders. Non-financial KPIs constitute part of the annual bonus award and these are selected to ensure that performance measured by financial KPIs is not delivered at the expense of important non-financial considerations, specifically safety and sustainability.

The measures used under the current remuneration policy or proposed to be used in the enhancements to the 2026 remuneration Policy each fulfil a distinct purpose as set out below:

Measure	Used in	Purpose
Adjusted operating profit	Annual bonus	Maintains focus on annual profits.
Cash generation	Annual bonus	Maintains discipline on managing inventory and receivables.
ESG measures	Annual bonus	Focus on health and safety, employee engagement, diversity and product environmental impact.[1]
	LTIP	Absolute reduction in Scope 1 and 2 CO_2 emissions (2020 base year) with targets at least as demanding as the path required to meet the published 2030 SBTi target/aligned to the SBTi's forward-looking ambition adjustment guidelines.
Strategic objectives	Annual bonus	Provides a balance to financial delivery which reflects activities that contribute to the longer-term success of the Group. These include environmental targets.
Adjusted earnings per share	LTIP	Adjusted EPS is a key measure for analysts who cover Rotork and reflects long-term growth in profits.
Relative TSR[2]	LTIP	Reflects the long-term growth in the value of shareholders' investment in Rotork.
Revenue growth[3]	LTIP	Incentivises growth in the business which complements cost efficiency in other measures.
Economic profit (ROIC)	LTIP	Captures the cost of the capital required to operate the business and instils discipline around capital usage into financial decision making.

1 Under the proposed remuneration Policy this would focus on health and safety and employee engagement (including diversity and inclusion) related initiatives.

2 Under the proposed remuneration Policy, relative TSR would be a multiplier to the core LTIP award performance measures.

3 Under the proposed remuneration Policy, this would be a performance measure in the core award.

Remuneration Policy report

Introduction

Rotork's Directors' Remuneration Policy (the 'Policy') is set out in full on pages 130 to 134. The Policy is subject to a binding shareholder vote at our Annual General Meeting ('AGM') on 1 May 2026 and, if approved, will apply from this date. It is intended that the Policy will apply for a period of up to three years when the Policy will be submitted to shareholders for re-approval at the 2029 AGM at the latest.

The Policy was reviewed and approved by the Remuneration Committee and Board. As part of the process, the views of our larger shareholders and other investor advisory bodies were sought. In addition, the thoughts of other Board members, management and external advisers were considered. The members of the Committee then made decisions independently. No individual participates in decisions relating to their own personal remuneration, instead recusing themselves from those discussions.

Principles

The Remuneration Committee remains committed towards remuneration being:

- performance driven, competitive and fair;
- motivating, affordable and proportionate;
- aligned to shareholders' interests; and
- globally relevant and transparent.

Approach

The Committee remains satisfied that the current policy, which was approved by shareholders at the 2023 AGM (with over 98% support) has worked effectively over the course of the previous three years. Whilst the current policy remains aligned with the interests of shareholders and other stakeholders and operates in line with Rotork's business strategy, purpose and values, the Committee believes that certain enhancements are necessary to ensure that the 2026 Policy continues to align with Rotork's Growth+ strategy and the long-term interests of the Company and shareholders over the next three years.

The changes that are being proposed are explained in the Committee Chair's statement on pages 120 to 125 and are set out in the table below.

The financial ambition behind the Company's Growth+ strategy is mid to high single-digit revenue growth and mid-20s adjusted operating margins over time. As part of the Policy review, and in order to strengthen the alignment of the Policy to the Company's Growth+ strategy, the Committee gave careful consideration to the way in which the incentive plans operate within the Policy to support a focus on sustained growth. Following a consultation process with our shareholders, we are proposing to retain our existing measures of adjusted earnings per share (EPS), economic profit (ROIC) and an environmental performance measure, alongside their respective existing weightings. In addition, we are proposing to add revenue growth with a 30% weighting to the core award and then overlay relative TSR as a multiplier to the whole outcome of these four core award metrics. This is explained in more detail on pages 124 and 146.

In addition, there are a small number of changes designed to enhance the flexibility and ability of the Committee to take decisions as needed within the Policy parameters (for example, the operation of discretion, temporary base salary increases or payment of an allowance for temporary additional duties, how fees to the Chair and non-executive directors might be paid and to allow for additional time commitment).

In the Committee's view, and as advised by its external remuneration consultants, there are no changes required to bring the Policy in line with the 2024 UK Corporate Governance Code as the Company's existing remuneration policy and remuneration arrangements were in full compliance with the 2024 Code from the date on which it became effective for Rotork.

A summary of the key features of the current policy, our proposed Policy changes, the rationale for these changes and how they will be implemented is included in the table below. In addition, we propose to enhance the Policy on recruitment to allow for a larger initial LTIP grant (if needed) to secure a candidate from North America.

Pay element	Current remuneration policy	Proposed Policy change	Rationale and implementation in 2026
Base salary	Normally salary increases will be no higher than the average increase (as a percentage of salary) applied to the workforce. However, the Remuneration Committee retains discretion to award higher increases if appropriate.	No change.	As at 1 April 2025 these were: £709,585 for the CEO, and £455,800 for the CFO. From 1 April 2026 these will be: £776,996 for the CEO, and £499,101 for the CFO.
Benefits	Standard benefits package.	No change.	N/A
Pension	This refers to the rate available to the majority of the workforce in the country in which the director operates (currently, in the UK, this is 10.35% of salary).	No change.	N/A
Annual bonus	Individual limit of 150% of salary. Any bonus in excess of 60% of maximum is deferred into shares for three years. Performance conditions and weightings determined annually with majority to be financial. Clawback and malus provisions apply. The Committee has discretion to adjust formulaic outcomes.	No change.	CEO/CFO opportunities remain at 150%/125% of salary respectively. Performance conditions for 2026: profit (60%); cash generation (15%); ESG measures (10%); strategic objectives (15%). The ESG measures do not create an overlap with the environmental emissions measures in the Long Term Incentive Plan.

Directors' Remuneration report continued

Remuneration Policy report continued

Approach continued

Pay element	Current remuneration policy	Proposed Policy change	Rationale and implementation in 2026
Long-term incentives	Policy limit is 200% of salary p.a. Performance share awards vest after three years with a subsequent two-year holding period. Performance conditions determined annually. Clawback and malus provisions apply. The Committee has discretion to adjust formulaic outcomes.	The Policy limit is to increase to 300% of salary.	CEO/CFO maximum award levels will increase to 300%/262.5% of salary respectively, which allows for the operation of the TSR multiplier. The performance conditions for 2026 awards are to change from: • adjusted EPS target (30% weighting); • TSR relative to the FTSE 350 Industrial Goods and Services sector (30% weighting); • return on invested capital (a measure of economic profit) (30% weighting); and • absolute reduction in Scope 1 and Scope 2 CO_2 emissions (10% weighting). To the following performance conditions: • adjusted EPS target (30% weighting); • revenue growth (30% weighting); • return on invested capital (a measure of economic profit) (30% weighting); and • absolute reduction in Scope 1 and Scope 2 CO_2 emissions (10% weighting). With a multiplier of the above core award outcome of between 1.0x (no change) to 1.5x (enhancing the vesting level by 50%) for relative TSR performance against a group of companies selected from within the FTSE 350 Industrial Goods and Services sector over the range of median to upper quartile.
Shareholding guidelines	Equivalent to total variable pay opportunity. No requirement to retain shares received from incentive plans but expected to be achieved five years from appointment. Executive directors normally have to retain 200% of final salary for two years post-cessation.	Set the requirement as 350% and 300% of salary for the CEO and CFO (or other executive directors) respectively. Require the retention of all beneficially owned shares and shares that they receive from the operation of the Company's incentive share plans until they reach this level (after sales to meet any taxes).	These levels are suitable for the Company and should not inhibit future recruitment. Requiring the retention of all shares received from the operation of the Company's incentive share plans (after sales to meet any taxes) and any share purchases until the required level has been achieved builds shareholdings quicker than imposing a date for achieving the requirement.
Chair and non-executive directors' fees	The fees for the non-executive directors comprise a basic Board fee, with additional fees paid to the Senior Independent Director, Committee Chairs, the Non-executive Director for Workforce Engagement, and other similar Board responsibilities. Additional fees may be paid for additional temporary responsibilities. Any reasonable business-related expenses may be reimbursed (including tax thereon if determined to be a taxable benefit).	Allowing additional fees to be paid for time commitment, including to allow for international travel. Clarifying that fees may be delivered other than in cash, but not through any of the Company's annual bonus, LTIP or other employee share plans or pension arrangements.	Providing additional flexibility.

Proposed Remuneration Policy in full

Element of remuneration	Purpose and link to strategy	Operation	Maximum opportunity	Framework used to assess performance
Base salary	To attract and retain executive directors of the right calibre and provide a core level of reward for the role.	Salary levels (and subsequent salary increases) are set after taking into account the responsibilities of the role, the value of the individual in terms of skills, experience and personal contribution, Company performance, internal relativities and pay conditions, and external market data (benchmarked against companies of a similar size and complexity and other companies in the same industry sector). The Remuneration Committee also considers the impact of any increase to salaries on the total remuneration package. Salaries are paid monthly and normally reviewed annually (salaries are normally reviewed in February, with any changes effective from 1 April).	Details of the current salaries of the executive directors are set out in the Annual Report on Remuneration. Normally, future salary increases will be no higher than the average increase (as a percentage of salary) applied to the UK workforce. However, the Remuneration Committee retains the discretion to award higher increases if appropriate (for example, to reflect progression in the role, size and complexity of the business or increased experience of the individual).	N/A
Benefits	To attract and retain executive directors of the right calibre by providing a market competitive level of benefit provision.	The range of benefits that may be provided is set by the Remuneration Committee after taking into account local market practice in the country where the executive director is based or has relocated from and suitable benefits, including compensation for increased taxation where an individual is relocating from one country to another. Standard benefits for executive directors comprise a car and fuel (or car and fuel allowance), personal accident insurance, private medical insurance and life assurance. Additional benefits may be provided, as appropriate, including travel benefits for executives working away from their home country. Executive directors are also entitled to participate in all-employee share plans on the same basis as other employees based in the same country. Any reasonable business-related expenses may be reimbursed (including any tax thereon if determined to be a taxable benefit).	There is no prescribed maximum level, but the Remuneration Committee monitors the overall cost of the benefit provision to ensure that it remains appropriately proportionate.	N/A
Pension	To provide a market competitive remuneration package to enable the recruitment and retention of executive directors.	The Company may fund contributions to an executive director's pension as appropriate. This may include contributions to a money purchase scheme and/or payment of a cash allowance where appropriate.	No higher than the percentage of salary available to the majority of the workforce for the country in which the executive director operates.	N/A

Directors' Remuneration report continued

Proposed Remuneration Policy in full continued

Element of remuneration	Purpose and link to strategy	Operation	Maximum opportunity	Framework used to assess performance
Annual bonus	Drives and rewards performance against annual financial and operational goals which are consistent with the medium to long-term strategic needs of the business.	Bonus up to 60% of the maximum opportunity is paid in cash. Any bonus awarded in excess of 60% of the maximum is deferred into shares for three years. Dividend equivalents may be paid on the deferred shares on vesting. The Remuneration Committee retains discretion to adjust the number of deferred shares in the event of a variation in the capital of the Company and/or to settle the award in cash.	The maximum annual bonus opportunity is 150% of salary. Details of the current annual opportunity are set out in the Annual Report on Remuneration. For each measure, normally a sliding scale of stretching targets is set by the Remuneration Committee. The threshold level of bonus under each financial measure varies but accounts for no more than one-third of the maximum bonus opportunity under any single measure.	The annual bonus is focused on the delivery of strategically important performance measures. These include demanding financial and non-financial measures. Financial measures will account for the majority. Under the terms of the bonus plan, the Remuneration Committee has the discretion, in exceptional circumstances, to amend previously set targets or to adjust the proposed payout to ensure a fair and appropriate outcome.
LTIP	To incentivise long-term value creation and alignment with shareholder interests.	The Long Term Incentive Plan (LTIP) permits an award of shares to be granted which vests subject to performance and continued employment. The LTIP awards will be granted in accordance with the rules of the plan (which includes the ability to award dividend equivalents on shares that vest) which were approved by shareholders in 2019, and the discretions contained therein. Awards under the LTIP may be granted in the form of conditional shares, forfeitable shares, nil-cost options or cash (for example, where it is administratively impractical or expensive or prohibited to settle the award in shares). Directors must retain any shares vesting (net of tax) until the fifth anniversary of grant.	The maximum LTIP opportunity is 300% of salary. Details of the current award levels are set out in the Annual Report on Remuneration.	Awards under the LTIP are subject to performance conditions, measured over three financial years, currently being adjusted EPS, revenue growth, economic profit (ROIC), environmental and relative TSR. Different measures may be used for future award cycles. A sliding scale of targets is set for each measure with no more than 25% of the award (under each separately assessed measure) vesting for achieving the threshold performance hurdle, for example under a core award. Where a multiplier operates in addition to a core award, achieving the multiplier's threshold performance hurdle will result in a multiplier of no more than 1.0x. The performance targets are set prior to the grant of each award. Different measures, targets and/or weightings between measures may be set for future award cycles. Under the LTIP rules approved by shareholders, the Remuneration Committee has the discretion to amend the targets applying to existing awards in certain circumstances. The Remuneration Committee also has the power to adjust the number of shares subject to an award in the event of a variation in the capital of the Company.

Directors' Remuneration report continued

Proposed Remuneration Policy in full continued

Element of remuneration	Purpose and link to strategy	Operation	Maximum opportunity	Framework used to assess performance
Shareholding guideline	To provide alignment with shareholders by requiring executives to build and maintain a meaningful shareholding in Rotork.	The executive directors are also subject to a requirement during their period of employment to build and maintain a shareholding in Rotork equivalent to 350% of salary for the CEO and 300% of salary for other executive directors. They will be required to retain all beneficially owned shares and all of the shares they receive from the operation of the Company's incentive share plans until they reach this level (after sales to meet any taxes). Following the cessation of their employment, executive directors are required to retain for a further two years any shares held that have vested to them under the Group's incentive share plans (subject to a maximum holding requirement of 200% of final salary) after sales to meet any taxes.	N/A	N/A
Chair and non-executive directors' fees	To attract and retain non-executive directors of the right calibre.	Fees for the Chair and non-executive directors are normally reviewed annually. Non-executive director fees are determined by the Chair and the executive directors. The fees for the Chair are determined by the Remuneration Committee. The fees for the non-executive directors comprise a basic Board fee, with additional fees paid to the Senior Independent Director, Committee Chairs, the Non-executive Director for Workforce Engagement, and other similar Board responsibilities. Additional fees may be paid for additional temporary responsibilities or time commitment, including to allow for international travel. Fees may be delivered other than in cash, but not through any of the Company's annual bonus, LTIP or other employee share plans or pension arrangements. Any reasonable business-related expenses may be reimbursed (including tax thereon if determined to be a taxable benefit).	The maximum aggregate fee level is as specified in the Group's Articles of Association (currently £1,000,000). The fee levels are set by reference to rates in companies of comparable size and complexity. The fee levels are reviewed periodically taking into account the responsibilities of the role and the time commitment of the individual.	N/A

Directors' Remuneration report continued

Proposed Remuneration Policy in full continued

Malus and clawback

The payment of any bonus is at the ultimate discretion of the Remuneration Committee which also retains an absolute discretion to reclaim or withhold some, or all, of any annual bonus paid in exceptional circumstances, such as misstatement of results, an error in the calculation of the performance targets and/or award size, gross misconduct, reputational damage and unreasonable failure to protect the interests of employees and customers.

The Remuneration Committee has similar power in respect of the LTIP and may exercise discretion to reclaim or withhold some, or all, of a vested LTIP award in exceptional circumstances (the specified situations being the same as for the Deferred Annual Bonus Plan).

The period over which these recovery provisions can be applied is: for an LTIP award, three years from the vesting date; for an award under the Deferred Annual Bonus Plan, three years from the grant date, provided that the Remuneration Committee decides to exercise the provisions within two years from the third anniversary of the grant date of an award; for the annual cash bonus, three years from the date of cash bonus payment, provided that the Remuneration Committee decides to exercise the provisions within two years from the third anniversary of the date of cash bonus payment; and for the conditional share awards granted to the CFO only as part of his onboarding arrangements with Rotork, three years from the vesting date, with the Board able to extend such period for up to a further two years under certain circumstances and where an investigation is ongoing.

In each instance, the Remuneration Committee has assessed that the periods are suitable for the Company as they are considered to be sufficiently long for the audit procedures to identify any circumstances that would give rise to the operation of malus or clawback.

Discretion

The Remuneration Committee retains discretion under the Policy to operate the incentive plans in accordance with their detailed rules, and to amend performance conditions of in-flight incentives and yet to be granted LTIP awards and future bonus awards. This discretion includes factoring in the impact of M&A and divestment activity. Annually, the Remuneration Committee will assess whether it feels the formulaic outcomes from the incentive plans reflect the Company's underlying performance and retains the ability to alter those outcomes. Discretion exists to operate the shareholding guidelines in a more lenient manner in compassionate circumstances and to amend the Policy with regard to minor or administrative matters where it would be, in the opinion of the Remuneration Committee, disproportionate to seek or await shareholder approval.

The Remuneration Committee also retains the discretion to award a temporary salary increase or pay an allowance where an individual who is subject to the Policy takes on material additional responsibilities.

Differences between the Policy Report and the policy on employee remuneration

We use the same principles (as set out at the start of this report) to determine pay for our executive directors and everyone else who works at Rotork. We recognise that it is appropriate for a significant proportion of executive directors' remuneration to be contingent on the performance of the Group, and that such remuneration is at risk subject to the satisfaction of stretching performance conditions. Executive directors and other senior managers are invited to participate in the LTIP under which shares are awarded subject to performance conditions over a three-year period. Executive directors and other senior managers are also invited to participate in the annual bonus scheme which will result in a bonus payment being made if targets are achieved, part of which for executive directors may be deferred in shares. Alternative or additional incentive plans may operate from time to time for senior managers and/or other employees.

Employees share in the success of the Group through a profit-based bonus plan which is linked to the performance of their business unit, Group performance and their own individual performance. This is coupled with the opportunity, for eligible employees, to receive free shares from the Company, paid from the Company's profits.

Approach to recruitment remuneration

We recruit our most senior leaders from a global talent pool and our Policy provides the flexibility for such recruitment. Base salary levels for new executives are set after taking into account the experience and calibre of the individual and their existing remuneration package. It may be appropriate in certain circumstances to offer a salary which is initially lower than the market level but with a planned series of increases to such salary over subsequent years subject to individual performance. We will be clear as to our intentions with a candidate if we intend to adopt such an approach for a particular reward package. Benefits will generally be provided in accordance with the Policy. Where an executive is required to relocate in order to take up their role, we may offer relocation expenses and assistance and/or ongoing expatriate benefits (including tax equalisation), the nature of which would be determined by the individual circumstances.

The structure and level of the ongoing variable pay element will be in accordance with the Policy. Different performance measures and targets may be set initially for the annual bonus and LTIP, taking into account the responsibilities of the individual, and the point in the financial year that the executive joined.

In the case of an external hire, it may be necessary to buy out certain elements of remuneration from an executive's previous employer which would be forfeited on leaving that employer. Where we do this, it will always be subject to the principal consideration that making such a buy-out is in the best interests of the Group. Any such payment would be structured to take into account the form (cash or shares), timing and expected value (i.e. likelihood of meeting any existing performance criteria) of the remuneration being forfeited. Replacement share awards, if used, may be granted using Rotork's existing share plans to the extent possible, although awards may also be granted outside of these schemes if necessary and as permitted under the UK Listing Rules.

The Committee reserves the ability in exceptional circumstances to make an additional grant of long term incentives to secure the recruitment of an executive director from North America at a level up to the annual grant limit in the Policy in the financial year that they join. Any increased recruitment awards would have the same performance conditions as the annual award it would be supplementing and be separate from any buyout awards granted

In the case of an internal hire, or the appointment of an individual who is not an executive director, but who still falls within this Policy, any outstanding variable pay awarded in relation to the previous role will be allowed to pay out according to its terms of grant.

Fees for a new Chair or non-executive director will be set in line with the Policy.

Service contracts and policy on payments for loss of office

Under the executive directors' service contracts, up to 12 months' notice of termination of employment is required by either party. Should notice be served, the executive directors can continue to receive salary, benefits and pension for the duration of their notice period during which time the Company may require the individual to continue to fulfil their current duties or may assign a period of garden leave.

Directors' Remuneration report continued

Proposed Remuneration Policy in full continued

Service contracts and policy on payments for loss of office continued

The Company applies a general principle of mitigation in relation to termination payments and the service contracts expressly include the use of monthly phased payments following termination in lieu of notice which can be reduced to the extent that alternative remunerated employment is found.

The service contracts also enable the Company to elect to make a payment in lieu of notice equivalent in value to 12 months' base salary only.

In the event of cessation of employment, the executive directors may still be eligible for a bonus at the discretion of the Remuneration Committee, on a pro-rata basis for the period of time served from the start of the financial year to the date of termination and not for any period in lieu of notice. Different performance measures (to the other executive directors) may be set for the bonus for the period up until departure, as appropriate, to reflect changes in responsibility.

Any unvested shares held under the Deferred Annual Bonus Plan will ordinarily vest on the normal vesting date, save where the departure is as a result of summary dismissal, in which case the awards will lapse on cessation of employment. The Remuneration Committee may also determine that the shares shall vest on an earlier date (including the date of cessation) if the Remuneration Committee, in its discretion, considers that the circumstances of the cessation merit early vesting of the awards.

The rules of the LTIP set out what happens to awards if a participant leaves employment before the end of the vesting period. Generally, any unvested LTIP awards will lapse when an executive director leaves employment except in certain circumstances. If the executive director ceases to be employed as a result of death, injury, retirement, transfer of employment or any other analogous reason, they may be treated as a 'good leaver' under the plan rules. The shares for a good leaver will vest subject to an assessment of performance, with a pro-rata reduction to reflect the proportion of the vesting period served. Awards for a good leaver may then vest on the normal vesting date, unless the Remuneration Committee determines that they should vest early (for example, following the death of the participant). In determining whether an executive director should be treated as a good leaver and the extent to which their award may vest (up to the pro-rated amount), the Remuneration Committee will take into account the circumstances of an individual's departure.

Outplacement services and reimbursement of legal costs may be provided where appropriate. Any statutory entitlements or sums to settle or compromise claims in connection with a termination would be paid as necessary.

Any legacy benefits under the Company's defined benefit pension schemes will be allowed to be paid under the terms of those schemes and as set out in the Policy Report.

Outstanding share awards would ordinarily vest early on a change of control of the Company. In the case of unvested awards under the LTIP, performance would be measured to the date of control normally with a pro-rata reduction to reflect the proportion of the vesting or performance period served.

The Chair and non-executive directors do not have service contracts; they serve under letters of appointment and are subject to annual re-election by shareholders at the AGM. The term of appointment for non-executive directors and the Chair is three years and their appointments are subject to termination on three months' notice (up to 12 months for the Chair). In the event of the termination of their position, they are entitled to reimbursement of any outstanding fees and expenses due.

Illustration of the directors' remuneration Policy for 2026

The chart to the right illustrates how the remuneration Policy would function for minimum, on-target and maximum performance for 2026 for each executive director. In addition, the fourth bar illustrates the value of total remuneration in the event both the annual bonus and LTIP pay out in full, with the LTIP being subject to 50% share price appreciation.

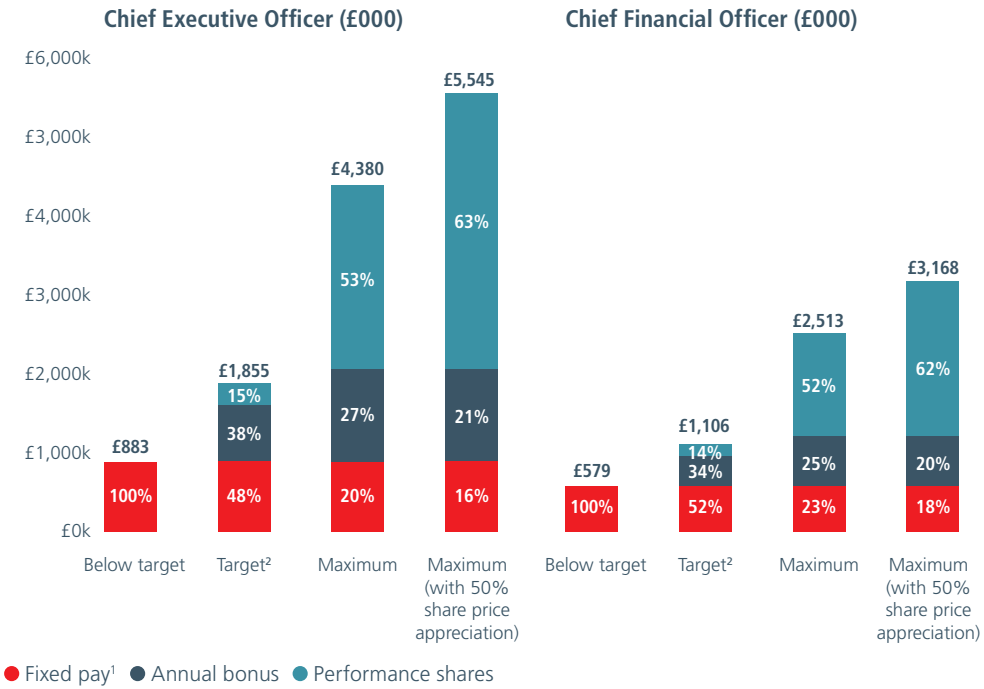
Salary levels (and consequently the other elements of the remuneration package which are calculated as a percentage of salary) are based on those intended to apply in 2026. Taxable benefits are shown as the cost to the Company supplying the benefits for the year ended 31 December 2025.

On-target performance, for illustrative purposes, assumes achievement of 60% of the maximum available bonus and average threshold LTIP vesting (11.7% of the maximum).

Maximum performance assumes achievement of the maximum bonus and full vesting of the LTIP shares.

The LTIP grant level is shown as a maximum opportunity of 300% for Kiet Huynh and 262.5% for Ben Peacock, which includes the maximum operation of the relative TSR multiplier. No share price growth has been assumed (other than for the fourth scenario, as described above), and for simplicity the benefit derived from participating in the Company's SIP has been excluded.

Scenario charts



1 The base salaries used are those that will apply with effect from 1 April 2026, as confirmed on page 128.

2 The Target outcome figure assumes threshold vesting for the core award element of the LTIP only.

Annual Report on Remuneration

This part of the Directors' Remuneration Report has been prepared in accordance with Part 3 and Part 8 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations (as amended), the Companies Act 2006 and UK Listing Rule 6.6.6R and explains how Rotork's current remuneration policy has been implemented during the year. The Annual Statement and Annual Report on Remuneration will be put to a single advisory vote at the AGM on 1 May 2026.

Role of the Remuneration Committee

The principal role of the Remuneration Committee is to establish the policy for remuneration of the executive directors, the Rotork Management Board (RMB) and the Board Chair, which is aligned with the long-term success of the Company and its shareholders. It also oversees the principles and structure of remuneration arrangements for all employees across the Group, and seeks to ensure that there is consistency across regions, business lines and organisational levels. Where possible, similar structures are used across the Group to ensure transparency. At all levels of the organisation, in line with our remuneration principles, we ensure that remuneration is competitive and fair; at the executive level, this means offering remuneration that is sufficiently attractive to appropriately incentivise and retain the leadership team to successfully run a complex global business.

Priorities and activities of the Remuneration Committee during 2025

Reviewed the appropriateness of the current remuneration policy

As described in Svein Richard Brandtzæg's Committee Chair's letter (on page 120) and the proposed enhancements to the Remuneration Policy (starting on page 130), the Committee carefully evaluated the alignment of all elements of the current remuneration policy with the long-term experience of shareholders and the Company's Growth+ strategy, cultural DNA and pay principles.

Reviewed the application of the current remuneration policy in relation to remuneration arrangements during 2025, to ensure a package that is proportionate to the opportunity for shareholders and one that is aligned with shareholders' interests was delivered

- Set pay principles.
- Reviewed all elements of the current remuneration policy, in order to ensure that it remains globally relevant and fit for purpose and that it aligns with, and supports, Rotork's cultural DNA and pay principles.
- Considered corporate governance developments, including the 2024 Code, guidance from institutional investors and external remuneration trends and benchmarking data, to ensure our remuneration structures reflected prevailing good practice in 2025.
- Developed the approach to the remuneration structure for 2025.
- Reviewed and agreed the performance conditions and measures for the 2025 LTIP awards.

Set pay at a competitive level against the external market and ensured remuneration remained affordable and fair in the context of pay for all Rotork employees

- Reviewed the pay arrangements for employees across the Group and considered how these related to those for our senior leaders.
- Ensured that decisions on pay were in line with Rotork's Fair Pay Framework, which guides Rotork's reward policies, procedures, systems and decision making globally in support of the commitment to deliver fair and competitive remuneration in line with the remuneration principles.
- Set basic salary for the executive directors and members of the RMB for 2025.
- Reviewed the fee payable to the Chair.

Determined pay outcomes that are performance driven

- Determined the bonus performance outcome against 2024 targets and approved bonus payments.
- Determined the LTIP vesting outcome against 2022 performance targets and approved vesting.
- Reviewed incentive plan outcomes and evaluated whether it was appropriate for discretion to be applied.

Ensured future pay is motivating, transparent and aligned to shareholders' interests

- Reviewed the terms of both bonus and LTIP plans (including in the context of the proposed refinements to the remuneration Policy) to ensure that they remain fit for purpose and in line with developing practice from a governance perspective.
- Selected the measures and set the performance ranges for the executive directors' and other members of senior management's bonus schemes for 2025.
- Approved the executive directors' personal objectives for 2025.
- Set LTIP performance targets and award levels for executive directors and other members of senior management for the LTIP awards granted in 2025.

Maintained transparency and clarity in everything we do

Approved the 2024 Directors' Remuneration Report and recommended that shareholders vote in favour of the report at the Company's 2025 Annual General Meeting.

Directors' Remuneration report continued

Annual Report on Remuneration continued

Single figure of remuneration for 2025 and 2024 (£000) (audited)

The tables below set out the single figure remuneration for the directors of Rotork for 2025 and 2024.

Executive directors (£000) (audited)

	Salary		Benefits[i]		Annual bonus[ii]		LTIP[iii]		SIP[iv]		Other items in the nature of remuneration[v]		Pension and related benefits[vi]		Total remuneration		Total fixed pay		Total variable pay	
	£000		£000		£000		£000		£000		£000		£000		£000		£000		£000	
Name	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Executive directors[1]:																				
Kiet Huynh	**703**	666	**26**	23	**881**	879	**983**	595	**4**	4	**—**	—	**73**	68	**2,670**	2,235	**802**	757	**1,868**	1,478
Ben Peacock[2]	**449**	347	**28**	13	**472**	386	**—**	230	**—**	—	**—**	141	**46**	33	**995**	1,150	**523**	393	**472**	757

1 No operation of malus or clawback operated in the year for these or previous directors.

2 Ben Peacock was appointed Chief Financial Officer on 11 March 2024.

(i) The benefit value comprises car allowance and/or benefit in kind value of a company car, where applicable, and private medical insurance.

(ii) Of the maximum annual bonus opportunity, the following applied: for Kiet Huynh, £633k paid in cash and £248k deferred into shares for three years and for Ben Peacock, £337k paid in cash and £135k deferred into shares for three years.

(iii) The 2025 figure relates to the 81.7% vesting of the 2023 LTIP award, based on performance to 31 December 2025. These awards are not eligible to vest until 24 March 2026 and, as such, an indicative share price of 335.3p (being the average closing share price over the three-month period to 31 December 2025) has been used for the purposes of valuing these awards. This value will be restated in next year's report. The 2024 figure relates to the 2022 LTIP award, which vested at 55.8% on 24 March 2025. In last year's report the value of these awards was calculated using the average closing share price over the three-month period to 31 December 2024, being 321.0p, and, this year, the figures have been updated using the actual closing share price on the date of vesting, being 317.20p. Dividend equivalents were applied to the vested 2022 LTIP awards, calculated using the same share price, on a reinvestment basis. On 11 April 2024, conditional share awards over an aggregate of 70,640 ordinary shares in Rotork plc were granted to Ben Peacock. The conditional share awards vest in three tranches based on continued service only and so they are included in the LTIP column. The value ascribed to such awards is the average closing share price for the five dealing days prior to grant, being 326.24p.

(iv) Face value of SIP free share awards made during the year.

(v) Comprised a cash payment equivalent to the amount Ben Peacock was forecast to lose resultant to leaving his former employer.

(vi) Comprises payments in lieu of pension contributions.

Chair and non-executive directors (£000) (audited)

	Base fees		Additional fees/remuneration		Total remuneration	
	£000		£000		£000	
Name	2025	2024	2025	2024	2025	2024
Current Chair and non-executive directors:						
Dorothy Thompson	**308**	268	**—**	—	**308**	268
Svein Richard Brandtzæg[i]	**67**	7	**14**	—	**81**	7
Andrew Heath[ii]	**67**	49	**22**	7	**89**	56
Karin Meurk-Harvey	**67**	64	**—**	—	**67**	64
Vanessa Simms[iii]	**67**	34	**10**	—	**77**	34
Janice Stipp	**67**	64	**14**	13	**81**	77

(i) Svein Richard Brandtzæg was appointed to the Board on 20 November 2024.

(ii) Andrew Heath was appointed to the Board on 1 April 2024.

(iii) Vanessa Simms was appointed to the Board on 21 June 2024.

The additional fees referred to above are the supplementary fees paid in cash to the Chairs of the Audit, Remuneration and Safety and Sustainability Committees, the Senior Independent Director and the designated Non-executive Director for Workforce Engagement. All directors have confirmed that, save as disclosed in the single figure of remuneration table above, they have not received any other items in the nature of remuneration.

Directors' Remuneration report continued

Annual Report on Remuneration continued

Total pension entitlements (audited)

No director participates in, or has a deferred benefit under, a defined benefit pension scheme. In accordance with the current remuneration policy, the executive directors receive a cash allowance in lieu of pension at the level of the majority of the workforce, being 10.35%, effective from 1 April 2025.

Payments to former directors and for loss of office (as relevant) (audited)

Jonathan Davis stepped down as an executive director of Rotork plc following the conclusion of the Company's 2024 AGM on 30 April 2024. As disclosed last year, 50.51% of Jonathan's 2022 LTIP award lapsed (after the application of time pro-rating) due to the partial satisfaction of the performance conditions attached to the awards. The award vested over 95,412 shares on 24 March 2025 when the actual closing share price was 317.20p and 6,695 additional shares representing accrued dividends in the period were added upon vesting. Jonathan's 2023 LTIP award has also been pro-rated for time served, with an additional 18.3% then also lapsing due to the partial satisfaction of the performance conditions. Jonathan is required to retain the vested shares (net of tax and social security) for two years following their vesting, until 24 March 2028.

Kevin Hostetler stepped down as an executive director during 2022. The 8,349 awards that remained from the 2022 award vested at 55.8% (4,659 shares) on 24 March 2025 when the actual closing share price was 317.20p. 324 additional shares, representing accrued dividends in the period, were added upon vesting. Kevin is required to retain the vested number of shares (net of tax and social security) until 24 March 2027.

Annual bonus for 2025

Bonuses in 2025 were based on 60% on annual profit, 15% on cash generation, 10% on ESG measures (including total recordable incident rate (TRIR)), and 15% on personal strategic objectives. Details of performance achieved against the targets set are shown below.

	Performance required to trigger bonus payment	Performance required at maximum	% payable at maximum performance	Performance outcome	% bonus awarded
Annual profit target	£160.56m	£192.96m	60%	£191.5m	56.0%
Cash generation	85%	110%	15%	101%	9.6%
ESG measures:					
environmental innovation, culture and engagement	See below	See below	5%	See below	4.5%
Total recordable incident rate	0.24	0.20	5%	0.24	1%
Total			**85%**		**71%**

ESG bonus measures comprise: environmental innovation, with a focus on our products and customers to reduce environmental impact (2%), and culture and engagement (3%). The product and customer innovation performance was sufficient to deliver the full 2%. The employee engagement score of 3.89 met the threshold target rate of 3.75, delivering the full 2%. The culture score of 45% diversity in candidates filling available roles at Rotork Management Board level and the tier below exceeded the threshold target range of 40%, delivering 0.5% of bonus.

Personal strategic objectives, which accounted for 15% of the bonus opportunity, were set at the start of the year for Kiet Huynh and Ben Peacock. The Remuneration Committee set specific and measurable targets covering a range of the Company's strategic priorities and assigned each an individual weighting. Performance against each of the defined targets was assessed by the Remuneration Committee with input from the Chair and other non-executive directors.

The objectives for all of the executive directors and the performance against them are summarised in the table below.

Kiet Huynh	Performance summary	% payable at maximum	% bonus awarded
Business strategy and vision	Delivered various initiatives to ensure that Rotork's Growth+ strategy was continually refined and continued to deliver results (both organically and inorganically). These initiatives were undertaken whilst also ensuring alignment of the Growth+ strategy to the macro environment, global megatrends and key stakeholders. The Board was kept fully updated on all aspects of the continual strategic refinements and evaluations via regular presentations.	3.0%	3.0%
Growth+ strategy implementation, including:		12.0%	9.5%
Customer Value	Improved customer satisfaction was delivered through a range of commercial and operational improvements, evidenced by a range of metrics.		
Innovative Products and Services	Continued development of new products, or sustainability enhancements to existing products, that will complement the Target Segment growth requirements.		
Culture and engagement initiatives	As part of Rotork's cultural evolution, a range of initiatives was achieved. This included the launch and embedding of Rotork's evolved cultural DNA and behaviours and the embedding of these into Rotork's approach to performance management. In terms of engagement, learning and development initiatives were enhanced, with Rotork's existing People Leader programme expanded globally across the organisation, with improvements also seen in the employee engagement survey results and specific training delivered for Rotork's senior leaders.		
Deliver further efficiencies via the use of digital technology	Continued progress on the implementation plan to deliver the new cloud-based ERP at various Rotork sites, thereby increasing efficiencies and decision making.		
Total		**15.0%**	**12.5%**

Directors' Remuneration report continued

Annual Report on Remuneration continued

Annual bonus for 2025 continued

Ben Peacock	Performance summary	% payable at maximum	% bonus awarded
Finance strategy to support Growth+	Strong progress was achieved on the strategic project to ensure opportunities for improving automation and controls with the Finance function, to support the continued delivery of the Growth+ strategy, was progressed.	3.0%	3.0%
Implementation of initiatives to support Growth+, including:		12.0%	10.0%
Investor relations	Various initiatives were completed as part of the enhancements to the investor relations programme.		
Initiatives to compliment Growth+	Delivered various initiatives to complement Rotork's Growth+ strategy to ensure it continued to deliver results (both organically and inorganically).		
Control environment	Further enhancements were made to Rotork's existing control environment, to ensure the control environment and related governance remained fully up to date and embedded within the organisation globally. Defined list of material controls approved by the Audit Committee.		
Deliver further efficiencies via the use of digital technology	Continued progress on the implementation plan to deliver the new cloud-based ERP at various Rotork sites, thereby increasing efficiencies and decision making.		
Total		**15.0%**	**13.0%**

Having reviewed the performance of the business against these targets, including the personal objectives, set at the start of the year the Committee decided that the level of payout, expressed in a percentage of salary, should be 125.40% for Kiet Huynh and 105.13% for Ben Peacock with no need for discretion to be applied. As a result, the 2025 bonus opportunity paid out in cash for Kiet Huynh at 90% and for Ben Peacock at 75% of 2025 salary, with the balance being deferred in shares under the Deferred Annual Bonus Plan respectively with the details shown below.

Deferred Annual Bonus Plan (DABP) awards (audited)

Any bonus earned above a threshold of 60% of the maximum opportunity is deferred into share awards under the Deferred Annual Bonus Plan, vesting on the third anniversary of grant. No further performance conditions apply; DABP awards are subject to continued employment only and dividend equivalents may be paid on the deferred shares on vesting. Of the total 2025 bonus award, Kiet Huynh will defer £248k and Ben Peacock will defer £135k. This equates to 35.4% of salary for Kiet Huynh and 30.1% of salary for Ben Peacock being deferred into shares in Rotork plc for three years under the DABP.

LTIP awards vesting based on performance to 31 December 2025 (audited)

The LTIP rewards performance against the principal measures of Rotork's long-term financial success. Performance is measured over a three-year period using a combination of adjusted EPS, relative TSR compared to a peer group, economic profit growth (ROIC) and an absolute reduction in Scope 1 and 2 CO_2 emissions (market-based).

The economic profit metric (ROIC) measures the post-tax profitability of the Group after a charge has been taken for the combined capital used (both debt and equity) within the business. The charge is calculated using the weighted average cost of capital based on average capital employed in the period. In determining capital employed, cumulative amortised goodwill and long-term pensions liabilities are adjusted for. In determining the economic profit, adjustments are made for restructuring costs and also, when material, for M&A activity and exchange rate movements. The target is set by using the latest long-term financial plan and budgets approved by the Board. It targets a rate of growth of the average economic profit over the three years of the plan from a base economic profit of the three years preceding the plan period. The measure captures the extent to which the business has earned a return above the cost of capital. It has been shown in many other capital-intense businesses to drive improved decision making, particularly when evaluating large-scale investment decisions, and was introduced at Rotork in 2017.

Directors' Remuneration report continued

Annual Report on Remuneration continued

LTIP awards vesting based on performance to 31 December 2025 (audited) continued

The LTIP awards granted on 24 March 2023 had a three-year performance period, which ran from 1 January 2023 to 31 December 2025 and such awards were subject to the following performance targets:

Measure	Weighting	Performance period	Threshold target	Stretch target (100% vesting)	Performance outcome
Adjusted earnings per share growth[(i)]	30%	01/01/23–31/12/25	9% (25% vesting)	35% or more	Adjusted EPS grew by 33.6% over the period, exceeding the threshold level but not reaching the stretch target. This resulted in 95.80% vesting of this tranche.
TSR relative to the constituents of the FTSE 350 Industrial Goods and Services sector	30%	01/01/23–31/12/25	Median ranking (25% vesting)	Upper quartile ranking and above	Rotork's relative TSR ranking within its comparator group was sufficient to exceed the threshold level but not to reach the stretch target. This resulted in a 43.3% vesting of this tranche.
Economic profit growth (ROIC)	30%	01/01/23–31/12/25	Three times the 2022 economic profit (0% vesting)	25.2% growth versus the threshold target of three times the 2022 economic profit	Economic profit increased over the measurement period and exceeded the threshold and stretch targets. This resulted in maximum (100%) vesting of this tranche.
Absolute reduction in Scope 1 and 2 CO_2 emissions (market-based) from 2020 base year	10%	01/01/23–31/12/25	37% reduction (25% vesting)	39% reduction or more	An absolute reduction in Scope 1 and 2 CO_2 emissions (market-based) of 43% was achieved, compared to the 2020 baseline year. This exceeded the stretch target and resulted in maximum vesting of this tranche.

(i) For performance between threshold and stretch, awards vest on a pro-rata basis.

During the three-year performance period, adjusted EPS grew by 33.6%. Relative TSR performance in the period was 43.3%. Economic profit growth (growth in profit ahead of the return demanded by the weighted average cost of capital) increased over the performance period by 53.2%. There was a 43% absolute reduction in Scope 1 and 2 CO_2 emissions, where compared against the 2020 base year (market-based). The Remuneration Committee therefore approved the vesting of 81.7% of the shares awarded under the 2023 cycle to executive directors as set out below.

2023 LTIP award

	Grant date	Number of shares under award	Number of shares vesting	Number of shares lapsing	Vesting/ lapse date
Kiet Huynh	24 March 2023	358,586	293,072	65,514	24 March 2026

Share awards granted in 2025 (audited)

LTIP awards (audited)

The following LTIP awards were made to the executive directors on 31 March 2025. These grants were made at the levels permitted under the current remuneration policy.

	Share awards made during 2025[(i)]	Basis of award	Face value of award[(ii)]	Percentage vesting for minimum performance[(iii)]	End of performance period	Vesting date
Kiet Huynh	427,538	200% of salary	£1,365,900	17.5%	31 December 2027	31 March 2028
Ben Peacock	235,539	175% of salary	£752,500	17.5%	31 December 2027	31 March 2028

(i) Awards to both Kiet Huynh and Ben Peacock were made as nil-cost options.

(ii) The share price used to determine the number of shares under the awards was 319.48p, being the average mid-market share price over the five market days immediately preceding the date of the award.

(iii) Vesting if the minimum performance on adjusted EPS, TSR, capital return (economic profit) and ESG conditions are achieved. The performance measures are:

a 30% based on adjusted earnings per share – adjusted EPS growth must be at least 9% for 25% vesting, increasing on a straight-line basis to full vesting for EPS growth of 35% and above;

b 30% based on relative total shareholder return – measured relative to the constituents of the FTSE 350 Industrial Goods and Services sector, with 25% vesting for median performance, increasing on a straight-line basis to full vesting for upper quartile performance and above;

c 30% based on economic profit – measures the profitability of the Group after a charge for the overall level of capital (based on the total capital used and calculated using the weighted average cost of capital) is subtracted. It is measured on a cumulative basis, over the three-year performance period. No payout will be received for a negative economic profit. The threshold target (at which 0% vests) requires average economic profit over the three-year period to exceed that generated in 2023 and the maximum target has been set such that it will require double-digit growth in post-tax profits alongside improved balance sheet efficiencies. Details of the exact targets are considered by the Remuneration Committee to be commercially sensitive. However, full details of the targets and how economic profit has been calculated will be disclosed on vesting; and

d 10% ESG measures – 10% based on an absolute reduction in Scope 1 and 2 CO_2 emissions with targets at least as demanding as the path required to meet the published 2030 SBTi targets.

Directors' Remuneration report continued

Annual Report on Remuneration continued

Share awards granted in 2025 (audited) continued

SIP share awards (audited)

In common with all eligible employees, UK-based executive directors receive an entitlement to ordinary shares under the SIP. Under the SIP, an aggregate total of up to 4% of profits are distributed to employees each year in the form of ordinary shares. The distribution is calculated by reference to years of service and basic salary, capped at £3,600. Details of free share awards under the SIP made to executive directors meeting the length of service requirements in 2025 are set out below.

	Free share awards made during the year			
	Date of grant	Number of free share awards	Basis of award	Face value of award
Kiet Huynh	15 April 2025	1,258	Non-performance based	£3,600

The executive directors are also eligible to elect to purchase monthly partnership shares under the SIP up to a maximum of £150 per month.

Summary of outstanding share awards held by executive directors (audited)

	Awards held at 31 December 2024	Granted in the year	Lapsed in the year	Awards exercised in the year	Awards held at 31 December 2025	Performance period	Exercise price	Date of grant	Vesting date	End of holding period
Kiet Huynh										
LTIP[(i)]	6,028	—	—	—	6,028	1 Jan 2021–31 Dec 2023	—	24 Mar 2021	24 Mar 2024	24 Mar 2026
LTIP[(i)]	335,939	—	148,485	—	187,454	1 Jan 2022–31 Dec 2024	—	24 Mar 2022	24 Mar 2025	24 Mar 2027
LTIP[(i), (iii)]	358,586	—	—	—	358,586	1 Jan 2023–31 Dec 2025	—	24 Mar 2023	24 Mar 2026	24 Mar 2028
LTIP[(i), (iii)]	377,464	—	—	—	377,464	1 Jan 2024–31 Dec 2026	—	21 Mar 2024	21 Mar 2027	21 Mar 2029
LTIP[(i), (iii)]	—	427,538	—	—	427,538	1 Jan 2025–31 Dec 2027	—	31 Mar 2025	31 Mar 2028	31 Mar 2030
DABP[(ii)]	104,067	—	—	—	104,067	N/A	—	11 Mar 2024	11 Mar 2027	11 Mar 2029
DABP[(ii)]	—	87,283	—	—	87,283	N/A	—	31 Mar 2025	31 Mar 2028	31 Mar 2030
SIP	889	—	—	889	—	N/A	—	6 Apr 2022	6 Apr 2025	N/A
SIP	1,151	—	—	—	1,151	N/A	—	6 Apr 2023	6 Apr 2026	N/A
SIP	1,105	—	—	—	1,105	N/A	—	8 Apr 2024	8 Apr 2027	N/A
SIP	—	1,258	—	—	1,258	N/A	—	15 Apr 2025	15 Apr 2028	N/A
SAYE	9,201	—	—	9,201	—	N/A	195p	7 Oct 2022	1 Dec 2025	N/A
SAYE	—	6,693	—	—	6,693	N/A	273p	24 Sept 2025	1 Dec 2028	N/A
Total	**1,194,430**	**522,772**	**148,485**	**10,090**	**1,558,627**					

(i) Nil-cost options.

(ii) Conditional share awards.

(iii) Subject equally to adjusted EPS performance (9% to 35% growth), TSR performance relative to the FTSE 350 Industrial Goods and Services sector (median to upper quartile), capital return (economic profit) and ESG performance over the three-year performance period.

Directors' Remuneration report continued

Annual Report on Remuneration continued

Summary of outstanding share awards held by executive directors (audited) continued

	Awards held at 31 December 2024	Granted in the year	Lapsed in the year	Awards exercised in the year	Awards held at 31 December 2025	Performance period	Exercise price	Date of grant	Vesting date	End of holding period
Ben Peacock										
LTIP[(i), (iv)]	230,404	—	—	—	230,404	1 Jan 2024–31 Dec 2026	—	21 Mar 2024	21 Mar 2027	21 Mar 2029
LTIP[(i), (iv)]	—	235,539	—	—	235,539	1 Jan 2025–31 Dec 2027	—	31 Mar 2025	31 Mar 2028	31 Mar 2030
DABP[(ii)]	—	39,271	—	—	39,271	N/A	—	31 Mar 2025	31 Mar 2028	31 Mar 2030
Conditional shares[(ii)]	31,897	—	—	31,897	—	N/A	—	11 Apr 2024	11 Apr 2025	11 Apr 2027
Conditional shares[(ii), (iii)]	29,932	—	—	—	29,932	N/A	—	11 Apr 2024	18 Apr 2026	18 Apr 2028
SAYE	12,394	—	—	—	12,394	N/A	254p	4 Oct 2024	1 Dec 2029	N/A
Total	**304,627**	**274,810**	**—**	**31,897**	**547,540**					

(i) Nil-cost options.

(ii) Conditional share awards.

(iii) Not subject to performance conditions, but subject to continued employment condition.

(iv) Subject equally to adjusted EPS performance (9% to 35% growth), TSR performance relative to the FTSE 350 Industrial Goods and services Sector (median to upper quartile), capital return (economic profit) and ESG performance over the three-year performance period.

Statement of directors' shareholding and share interests (audited)

The table below shows total shareholdings of the current directors as at 31 December 2025.

	Beneficially owned shares[(i)]	Unvested DABP awards[(ii)]	SIP[(iii)]	Vested but unexercised LTIP awards subject to two-year post-vesting holding period[(iv)]	% of salary shareholding achieved[(v)]	Unvested LTIP awards subject to performance targets
Executive directors:						
Kiet Huynh	42,902	191,350	3,514	207,084	115%	1,163,588
Ben Peacock[1]	41,686	39,271	—	—	44%	495,875[(vi)]
Chair and non-executive directors:						
Dorothy Thompson	37,160	—	—	—	N/A	—
Svein Richard Brandtzæg	5,500	—	—	—	N/A	—
Andrew Heath	25,000	—	—	—	N/A	—
Karin Meurk-Harvey	2,000	—	—	—	N/A	—
Vanessa Simms	—	—	—	—	N/A	—
Janice Stipp	5,000	—	—	—	N/A	—

1 Ben Peacock was appointed Chief Financial Officer on 11 March 2024.

(i) Includes shares held by connected persons, SIP partnership shares, SIP free shares released from the three-year trust period and vested LTIP awards and their dividend equivalents which remain subject to the two-year holding period. For Ben Peacock only this figure includes the conditional share awards that remain subject to a two-year post-vesting holding period.

(ii) DABP awards attract an entitlement to accrued dividends during the holding period but are only available upon release. The satisfaction of the entitlement can be in shares or cash as determined by the Remuneration Committee at the time of the release confirmation.

(iii) SIP free share awards that remain held in the SIP Trust.

(iv) Includes dividend equivalents.

(v) The unvested DABP awards and vested but unexercised LTIP awards and their dividend equivalents (that remain subject to a two-year post-vesting holding period) included within the calculation of this figure are included on a net of tax and NICs basis. The share price used to determine the percentage of the shareholding of salary achieved is 321.0p, being the 12-month average share price as at 31 December 2025. Under the current remuneration policy, the shareholding guideline for the executive directors is 350% of salary for the Chief Executive Officer and 300% of salary for the Chief Financial Officer to be achieved within five years. A post-cessation holding requirement of 200% of salary was introduced under the current remuneration policy. In order to ensure adherence to the post-cessation holding requirements, executive directors will, as a condition of receiving any and each share-based award, formally accept the post-cessation requirements in writing. The percentage figure is not audited information. The audited information relates to the disclosure of the shareholding guidelines and whether they have been met.

(vi) Figure includes the third tranche of the conditional share awards granted to Ben Peacock during 2024 as part of his onboarding arrangements; such awards are due to vest in April 2026. The awards are not subject to any corporate performance conditions, but a two-year post-vesting holding period applies.

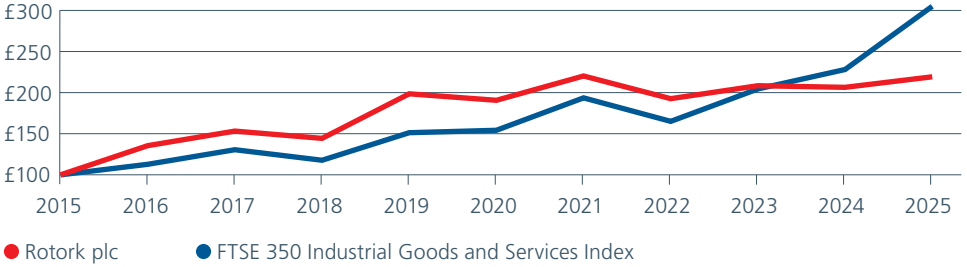
There has been no change in the directors' interests in the ordinary share capital of the Company between 31 December 2025 and 9 March 2026, other than Kiet Huynh's routine monthly purchase of shares made pursuant to his participation in the SIP partnership shares purchase programme, which comprised a total of 85 ordinary shares between these dates.

Directors' Remuneration report continued

Annual Report on Remuneration continued

TSR performance graph

This graph shows the value, by 31 December 2025, of £100 invested in Rotork plc on 31 December 2015, compared with the value of £100 invested in the FTSE 350 Industrial Goods and Services Index on the same date. This index has been chosen as a comparator as it represents companies with similar business operations to the Company and is an index of which Rotork is a constituent.



Historical Chief Executive Officer remuneration table

Year	Chief Executive Officer	Chief Executive Officer single figure remuneration £000	Annual cash bonus as a percentage of maximum opportunity	LTIP vesting rate as a percentage of maximum opportunity
2025	Kiet Huynh	2,670	83.6%	81.7%
2024	Kiet Huynh	2,235	87.9%	55.8%
2023	Kiet Huynh	1,584	97.5%	N/A
2022	Kevin Hostetler/Kiet Huynh[(i)]	1,114	46.2%	0%
2021	Kevin Hostetler	1,380	48.7%	9.4%
2020	Kevin Hostetler	2,203	69.7%	84.4%
2019	Kevin Hostetler	1,422	82.0%	N/A
2018	Kevin Hostetler[(ii)]	1,193	90.9%	N/A
2018	Martin Lamb[(iii)]	353	N/A	N/A
2017	Martin Lamb[(iii)]	282	N/A	N/A
2017	Peter France[(iv)]	681	72.0%	0%
2016	Peter France	835	45.5%	0%

(i) Kiet Huynh was appointed to the role of Chief Executive Officer on 10 January 2022. The CEO single figure remuneration for 2022 includes both the remuneration for Kevin Hostetler from 1 to 10 January 2022 of £27,000 and for Kiet Huynh from 10 January to 31 December 2022 of £1,087,000. The annual cash bonus figure is an average of the bonus for Kiet Huynh of 46.8% and for Kevin Hostetler of 45.6%.

(ii) Kevin Hostetler was appointed to the role of Chief Executive Officer on 12 March 2018 and stood down from the Board on 10 January 2022.

(iii) Martin Lamb held the role of Executive Chair from 28 July 2017 to 12 March 2018 and received an additional fixed remuneration of £55,000 per month on top of his annual Chair's fee during this period.

(iv) Peter France resigned as Chief Executive Officer and stood down from the Board on 27 July 2017.

Directors' Remuneration report continued

Annual Report on Remuneration continued

Percentage change in directors' remuneration versus employee pay

The table below shows the year-on-year percentage change in remuneration (based on salary/fee, benefits and bonus) between 2025 and 2021 of each director compared with the percentage change for the average UK employee.[1]

		Percentage change (%) FY25 to FY24			Percentage change (%) FY24 to FY23			Percentage change (%) FY23 to FY22			Percentage change (%) FY22 to FY21		
	Role	**Salary/fee[(i)]**	**Benefits**	**Bonus**	Salary/fee	Benefits	Bonus	Salary/fee	Benefits	Bonus	Salary/fee	Benefits	Bonus
Current executive directors:													
Kiet Huynh	Chief Executive Officer	**5.6**	**13.0**	**(0.2)**	11.1	0.3	0.2	11.5	1.5	132.0	N/A	N/A	N/A
Ben Peacock[2]	Chief Financial Officer	**29.4**	**115.4**	**22.3**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Current Chair and non-executive directors:													
Dorothy Thompson[3]	Chair	**14.9**	**N/A**	**N/A**	38.7	N/A	N/A	3,817.0	N/A	N/A	N/A	N/A	N/A
Svein Richard Brandtzæg[4]	Non-executive Director	**1,057**	**N/A**	**N/A**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Karin Meurk-Harvey	Non-executive Director	**4.7**	**N/A**	**N/A**	4.4	N/A	N/A	4.5	N/A	N/A	260.0	N/A	N/A
Andrew Heath[5]	Non-executive Director	**58.9**	**N/A**	**N/A**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vanessa Simms[6]	Non-executive Director	**126.5**	**N/A**	**N/A**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Janice Stipp	Non-executive Director	**5.2**	**N/A**	**N/A**	6.8	N/A	N/A	4.5	N/A	N/A	1.9	N/A	N/A
All permanent employees		**6.9**	**20.0**	**2.0**	4.1	0.7	(3.2)	8.3	14.1	116.4	5.7	13.6	49.9

1 As none of the directors who served during FY25 were also serving during FY20, the percentage change comparison for FY21 to FY20 has been excluded.

2 Ben Peacock joined the Board on 11 March 2024. The pro-rata salary increase during FY25 was 4.9%; this included the base salary increase applied on 1 April 2025 of 6.0%.

3 Dorothy Thompson originally joined the Board as non-executive director and Chair Designate in December 2022. The pro-rata fee increase during FY23 was 229%; this included the Chair fee increase applied on 1 April 2023 of 5%.

4 Svein Richard Brandtzæg joined the Board on 20 November 2024.

5 Andrew Heath joined the Board on 1 April 2024.

6 Vanessa Simms joined the Board on 21 June 2024.

(i) Pro-rata salary/fee increases, where applicable, were effective from 1 April 2025.

Directors' Remuneration report continued

Annual Report on Remuneration continued

Percentage change in directors' remuneration versus employee pay continued

Relative importance of spend on pay

The following table shows actual expenditure of the Group and change in spend between current and prior financial periods on remuneration paid to all employees against distributions to shareholders.

	2025 £000	2024 £000	Percentage change
Employee remuneration	**173,848**	164,323	6%
Dividends[1]	**68,708**	65,517	5%

1 The 2025 figure includes the 2025 proposed final dividend, which is subject to shareholder approval at the Company's AGM on 1 May 2026.

CEO pay ratio disclosure

The table below sets out Rotork's CEO pay ratio for the 2025–2018 financial years.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025	Option B	60:1	55:1	42:1
2024	Option B	64:1	51:1	31:1
2023	Option B	43:1	34:1	25:1
2022	Option B	36:1	33:1	20:1
2021	Option B	43:1	38:1	28:1
2020	Option B	45:1	37:1	28:1
2019	Option B	48:1	43:1	27:1
2018	Option B	49:1	45:1	33:1

Option B has been used for the calculation of the pay ratio. Under this method, the latest gender pay gap data has been used to identify on an indicative basis three UK employees at the 25th percentile, median and 75th percentile. This methodology has been chosen as the data is readily available and avoids the challenge in collecting and verifying accurately the variable pay elements for all UK employees across many subsidiaries. The figure for 2022 is lower than previous periods due to the starting salary of the incumbent CEO who was appointed in January 2022. In line with the base salary arrangements for the CEO (disclosed above and in previous Remuneration Reports) the CEO's base salary level has risen to the level of his immediate predecessor's 2021 salary.

To provide further context, the table below shows the CEO and the employee percentile pay used to determine the 2025 pay ratios. The main changes are due to the variable pay outturns in the last few years.

Year	CEO £000	25th percentile £000	Median £000	75th percentile £000
Total salary[(i)]	703	39	44	56
Total remuneration (single figure)[(i)]	2,670	45	49	64

(i) Full-time equivalent.

Executive directors' service contracts and non-executive directors' terms of engagement

A summary of the operation of the executive directors' service contracts and policy on payments for loss of office is set out within the overview of the remuneration Policy section on pages 133 and 134. The Chair and non-executive directors do not have service contracts; they serve under letters of appointment and are subject to annual re-election by shareholders at the AGM. The term of appointment for non-executive directors and the Chair is three years and their appointments are subject to termination on three months' notice (up to 12 months for the Chair). In the event of the termination of their position, they are entitled to reimbursement of any outstanding fees and expenses due. The dates of appointment and date of service contract (in the case of executive directors) or date of letter of appointment (in the case of non-executive directors) for those directors seeking re-election at the 2026 AGM are set out below. The service contracts and letters of appointment may be viewed at the Company's registered office.

Executive directors' service contracts

Name	Date of appointment to Board	Date of service contract	Notice period (rolling)
Kiet Huynh	10 January 2022	8 January 2022	12 months by either party
Ben Peacock	11 March 2024	11 September 2023	12 months by either party

Non-executive directors' terms of engagement

Name	Date of appointment to the Board	Date of most recent letter of appointment
Dorothy Thompson (Chair)	1 December 2022	9 October 2025
Svein Richard Brandtzæg	20 November 2024	19 November 2024
Andrew Heath	1 April 2024	26 February 2024
Karin Meurk-Harvey	13 September 2021	3 December 2024
Vanessa Simms	21 June 2024	26 February 2024
Janice Stipp	1 December 2020	3 December 2024

Directors' Remuneration report continued

Annual Report on Remuneration continued

Statement of voting at general meeting

The Remuneration Committee is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to directors' remuneration, the Company seeks to understand the reasons for any such vote and will report any actions in response to it. The following table sets out the binding vote at the AGM held on 28 April 2023 in respect of the current remuneration policy and the advisory vote at the AGM held on 2 May 2025 in respect of the Annual Report on Remuneration for the year ended 31 December 2024.

Year	Resolution	Votes 'for'	% for	Votes 'against'	% against	Votes 'withheld'	%
2023	To approve the remuneration policy	683,772,096	98.04	13,640,012	1.96	410,841	—
2025	To approve the annual report on remuneration	621,874,358	99.35	4,098,872	0.65	2,110,091	—

Advisers to the Remuneration Committee

Korn Ferry has acted as adviser to the Committee since July 2020. Korn Ferry is a member of the Remuneration Consultants Group and a signatory to its Code of Conduct. The Committee keeps the independence of the advice provided under review and remains satisfied that Korn Ferry is sufficiently independent to act as remuneration adviser to the Remuneration Committee. Korn Ferry provides additional advice to the Company.

In 2025, the Company paid £137,800 (2024: £40,500) to Korn Ferry for services to the Remuneration Committee. Figures exclude VAT and disbursements.

How we intend to operate the Policy in 2026[1]

Salary	As explained in more detail earlier in this report, following a benchmarking exercise and consultation with investors and proxy voting agencies, the opportunity is being taken to realign the executive directors' base salaries over the next few years in a phased manner. The annual increases will be single digit and will be conditional on continuing performance of both the individual and the business. Kiet Huynh will receive a salary increase of 9.5%, taking his annual salary to £776,996, effective from 1 April 2026. Ben Peacock will receive a salary increase of 9.5%, taking his annual salary to £499,101, effective from 1 April 2026.
Benefits	Benefits comprise a car allowance, personal accident and private medical insurance and life assurance. Ben Peacock will also be able to receive contributions towards relocation costs related to his onboarding, in line with the Policy.
Pension	The pension allowance for the executive directors is aligned to the contribution available to the majority of the UK workforce. As at the date of this report, this is 10.35%.
Annual bonus	In line with the current remuneration policy, the maximum opportunity for Kiet Huynh will be 150% of salary and the maximum opportunity for Ben Peacock will be 125% of salary. Any bonus earned above 60% of the maximum opportunity will be deferred in shares for three years. Bonuses will be based on: • adjusted operating profit performance (60% of opportunity) – the plan is based on the 2026 budget approved by the Board and the challenging nature of the targets and stretch elements will be maintained; • cash generation (15% of opportunity) – the target to achieve maximum outturn will remain at 110%, reflecting the value of a sustained focus on cash generation; • ESG (10% of opportunity) – measures will be aligned to the ESG strategy. Half of the opportunity (5%) will be based on a TRIR health and safety measure with a threshold set at 0.26 and a maximum at 0.20. The remaining 5% will focus on quantitative targets set to cover culture and employee engagement scores; and • strategic initiatives (15% of opportunity) – these will be set with a focus on the continued strategic development of the business with a focus on continuing delivery of the Growth+ programme. The specific targets relating to the bonus have not been disclosed as they are considered by the Remuneration Committee to be commercially sensitive but full details will be given on a retrospective basis in next year's report. The executive directors will be invited to participate and must agree in writing to the conditions pertaining to the annual bonus plan, including those relating to the post-cessation of employment shareholding arrangements that will apply to any bonus deferred in shares under the Deferred Annual Bonus Plan.

Directors' Remuneration report continued

Annual Report on Remuneration continued

How we intend to operate the Policy in 2026[1] continued

LTIP	The LTIP maximum award levels for 2026 (for the core award) will be 200% of salary for Kiet Huynh and 175% of salary for Ben Peacock. The awards will be subject to the following performance conditions: • 30% will be based on revenue growth. CAGR over the three-year period must reach 5% for threshold (25%) vesting, increasing on a straight-line basis to full vesting for CAGR over the three-year period of 9%. A three-year CAGR of below 5% would result in no vesting of this condition. • 30% will be based on adjusted EPS. Adjusted EPS CAGR growth must be at least 4% for 25% vesting, increasing on a straight-line basis to full vesting for adjusted EPS CAGR growth of 10.5% and above. The targets will be based on adjusted EPS (i.e. excluding the impact of any material restructuring costs). However, the Committee will use its discretion to amend the targets as appropriate, to take into account the Board's expected return on any restructuring investment during the period. • 30% will be based on economic profit. No payout will be received for a negative economic profit. The threshold target (0% vesting) will require the cumulative economic profit over the three-year period to exceed that generated in the three-year period to 2025 and the maximum target has been set such that it will require double-digit growth in post-tax profits, alongside improved balance sheet efficiencies. Similar to adjusted EPS targets, these targets may be adjusted to take into account the Board's expected return on any restructuring investment during the period. Details of the exact targets are considered by the Remuneration Committee to be commercially sensitive at the current time. However, full details of the targets and how economic profit has been calculated will be disclosed on vesting. • 10% will be based on an absolute reduction in Scope 1 and 2 CO_2 emissions (market-based). The threshold target (25% vesting) is a 50% reduction, increasing on a straight-line basis to full vesting for a 53% reduction. This stretch target is ambitious and in line with the SBTi's forward-looking ambition adjustment methodology. The outcome of the above four core performance metrics will then be multiplied by the TSR multiplier, which will be determined by the relative TSR performance compared against a selected list of constituents of the FTSE 350 Industrial Goods and Services sector (the 15 companies are footnoted below)[2]. For a ranking of median or lower the multiplier will be 1.0x (i.e. no change), rising on a straight-line basis to 1.5x for an upper quartile or above ranking. In order to allow for the 2026 LTIP awards to be granted under the 2026 remuneration Policy, the awards will be granted following the conclusion of the Company's 2026 AGM and will be made subject to executive directors agreeing in writing to all the conditions under which the awards are made, including the post-cessation of employment shareholding arrangements that will apply to these awards. The executive directors will be required to retain any shares vesting under the awards (net of tax) until the fifth anniversary of grant.
Shareholding guidelines	The executive directors are also subject to a requirement during their period of employment to build and maintain a shareholding in Rotork equivalent to 350% of salary for the CEO and 300% of salary for other executive directors. They will be required to retain all of the shares they receive from the operation of the Company's incentive share plans (after sales to meet any taxes) plus any shares they purchase until they reach this level. Following the cessation of their employment, executive directors are required to retain for a further two years any shares held that have vested to them under the Group's incentive share plans (subject to a maximum holding requirement of 200% of final salary). In order to ensure adherence to the post-cessation holding requirements, executive directors will, as a condition of receiving any and each share-based award, formally accept the post-cessation requirements in writing.
Non-executive director fees	An increase to the Chair's fee, the base Board fees and fees for additional Board responsibilities has been approved, noting that a benchmarking exercise has been undertaken and that the increase for the wider workforce in the UK (excluding promotions) was 3.2%. Chair: a fee increase of 3.2%, taking the annual fee to £330,200, effective from 1 April 2026. Base Board fee: a fee increase of 3.2%, taking the annual fee to £69,500, effective from 1 April 2026. An increase to the supplementary fees payable to those directors with additional responsibilities, as set out below: Additional fee for chairing the Audit Committee: a fee increase of 10.3%, taking the annual fee to £16,000, effective from 1 April 2026.[3] Additional fee for chairing the Remuneration Committee: a fee increase of 10.3%, taking the annual fee to £16,000, effective from 1 April 2026.[3] Additional fee for the role of Senior Independent Director: a fee increase of 3.2%, taking the annual fee to £12,400, effective from 1 April 2026. Additional fee for chairing the Safety and Sustainability Committee: a fee increase of 3.2%, taking the annual fee to £10,700, effective from 1 April 2026. Additional fee for undertaking the role of Non-executive Director for Workforce Engagement: a fee increase of 3.2%, taking the annual fee to £10,700, effective from 1 April 2026.

1 Where applicable, subject to the proposed refinements to the 2026 remuneration Policy receiving shareholder approval at the Company's AGM on 1 May 2026.

2 The companies are Bodycote, DCC, Diploma, discoverIE Group, Goodwin, Halma, IMI, Morgan Advanced MRA, Oxford Instruments, Renishaw, RS Group, Smiths Group, Spirax, Vesuvius and Weir.

3 The increase will bring the Audit and Remuneration Committee Chairs' fee closer to the medians of companies within the relevant UK sector and UK listed companies with a similar market capitalisation.

On behalf of the Board

Svein Richard Brandtzæg
Chair of the Remuneration Committee
9 March 2026

Directors' report

The directors present their report which incorporates the management report required under the Disclosure Guidance and Transparency Rules (DTRs) for listed companies and the audited accounts for the year ended 31 December 2025 as set out on pages 161 to 203. In compiling this report, the directors have consulted with the management of the Group.

Information required in the report of the directors set out in the Strategic Report

Information relating to the likely future developments of the Company and its subsidiaries and information relating to the research and development activities of the Company and its subsidiaries, together with a description of the principal risks and uncertainties that they face, are set out in the Strategic Report on pages 60 to 66 and are incorporated into this Directors' Report by reference.

Corporate governance statement and TCFD disclosures

The corporate governance statement, required under Rule 7 of the DTRs, explaining how Rotork has applied and complied with the 2024 UK Corporate Governance Code (the 2024 Code) is set out on page 84 and is incorporated into this Directors' Report by reference. A description of the composition and operation of the Board and its Committees, including the requisite disclosures in relation to diversity, is set out on pages 85 to 87 and is incorporated into this Directors' Report by reference. Full details of the 2024 Code can be found on the Financial Reporting Council's website at www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/.

Rotork's statement of compliance in implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), required to be made under UK Listing Rule 6.6.6R(8), is set out on page 68.

Additional disclosures

The Strategic Report can be found on pages 1 to 77, and encompasses our Sustainability Report (which is set out on pages 28 to 57). A complete list of the Group's subsidiaries has been included on pages 201 to 203 to comply with Section 409 of the Companies Act 2006 (the Act). Other information that is relevant to this report, and is incorporated by reference, including information required in accordance with the Act and UK Listing Rule 6.6.1R, can be located as follows:

UK Listing Rule statement	Detail	Page reference
6.6.1R (3)	Details of long-term incentive schemes	Note 28 to the financial statements and the Directors' Remuneration Report on pages 119 to 146
6.6.1R (11)	Shareholder waivers of dividends	Note 19 to the financial statements
6.6.1R (12)	Shareholder waivers of future dividends	Note 19 to the financial statements
6.6.1R (1-2), (4-10) and (13)	Not applicable	N/A

Principal activity

The Group manufactures intelligent flow control equipment and instrumentation for oil and gas, water and wastewater, power, chemical, process and industrial applications. It operates globally serving customers in 140 countries through a network of offices and manufacturing facilities. The Group employs over 3,500 employees worldwide and is headquartered in Bath, UK.

Company status

Rotork plc is incorporated as a public limited company and is registered in England and Wales with the registered number 00578327. Its registered office is Rotork House, Brassmill Lane, Bath, UK, BA1 3JQ. Rotork plc's ordinary shares are listed in the commercial companies (equity shares) category on the London Stock Exchange (LON:ROR) and Rotork plc is a constituent member of the FTSE 250 Index. Rotork plc's legal entity identifier is: 213800AH5RZIHGWRJ718. The Company's share registrar is Equiniti Limited, which are located at Aspect House, Spencer Road, Lancing, West Sussex, UK, BN99 6DA.

Results and dividends

The results for the year ended 31 December 2025 are set out in the financial statements on pages 161 to 165. The Board has recommended the following dividends:

Interim dividend paid on 22 September 2025:	2.95p per ordinary share (2024: 2.75p)
Proposed final dividend to be paid on 2 June 2026:	5.35p per ordinary share (2024: 5.00p)
Total dividend for 2025:	8.30p per ordinary share (2024: 7.75p)

Subject to shareholder approval, the 2025 final dividend will be paid on 2 June 2026, to ordinary shareholders whose names appear on the register at the close of business on 24 April 2026. The last date to elect for the Dividend Reinvestment Plan (DRIP) is 11 May 2026. The Rotork DRIP is provided by Equiniti Financial Services Limited. The DRIP enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares.

More information can be found at www.shareview.co.uk/info/drip.

Directors

The directors of the Company who held office during the year and up to the date of signing the financial statements were as follows:

Chair:	Dorothy Thompson, CBE
Executive directors:	Kiet Huynh Ben Peacock
Independent non-executive directors:	Andrew Heath (Senior Independent Director) Svein Richard Brandtzæg Karin Meurk-Harvey Vanessa Simms Janice Stipp

The biographies and other details of each of the current directors are set out on pages 82 and 83.

Details of the interests in the Company's shares held by all directors who held office during the year are set out in the Directors' Remuneration Report, which is incorporated by reference to this report and can be found on page 141.

Directors' indemnification and insurance

The Company's Articles of Association provide for the directors and officers of the Company to be appropriately indemnified, subject to the provisions of the Act. The Company has granted indemnities to each director and the Group General Counsel & Company Secretary in respect of any liabilities incurred in relation to acts or omissions arising in the ordinary course of their duties, but only to the extent permitted by law. The Company also purchases and maintains insurance for the directors and officers of the Company in respect of potential legal action instigated against its directors, to the full extent as permitted by Section 233 of the Act.

Directors' report continued

Powers of the directors

As set out in the Company's Articles of Association, the business of the Company is managed by the Board which may exercise all the powers of the Company. The powers of the directors are also determined by prevailing UK legislation and any specific authorities that the Company's shareholders may approve from time to time.

Appointment and removal of directors

The Board may appoint a director, either to fill a vacancy or as an additional director. Any director appointed by the Board must retire at the next AGM of the Company and put themselves forward for re-appointment by the shareholders. In accordance with the recommendations of the 2024 Code, each current member of the Board will retire from office and will submit themself for election or re-election at the 2026 AGM. This is with exception of Karin Meurk-Harvey who is not seeking re-election.

In addition to any power of removal conferred by the Act, the Company may by ordinary resolution remove any director before the expiration of their period of office and may, subject to the Articles of Association, by ordinary resolution appoint another person who is willing to act as a director in their place.

Committed to the highest standards of ethical behaviour

High ethical standards are fundamental to the way in which we do business. Respecting internationally-proclaimed human rights, promoting an open and honest culture, having a zero-tolerance approach to bribery and corruption worldwide, and selecting channel partners and suppliers with sound reputations in the marketplace are important principles that the Group adheres to.

Code of Conduct

Our Code of Conduct, together with our DNA values and behaviours, forms our cultural foundation. In addition to the Code of Conduct, there are supporting policies that sit beneath the Code of Conduct, covering Anti-Bribery and Corruption, Speak Up, Confidentiality, Conflicts of Interest, Fair Competition, Share Dealing, Gifts and Hospitality, Data Protection, Modern Slavery and Trade Sanctions. Training is provided to support employees' understanding of the Code of Conduct and these policies.

Our Code of Conduct is published on our corporate website at www.rotork.com/en/sustainability/esg-reports-and-policies/rotork-code-of-conduct.

Our suppliers must adhere to our Supplier Code of Conduct, which is published on our corporate website at www.rotork.com/en/terms-and-conditions/suppliers/supplier-code-of-conduct.

Our Channel Partners must adhere to our Channel Partner Code of Conduct, which is published on our corporate website at www.rotork.com/en/terms-and-conditions/channel-partners.

Whistleblowing

Rotork encourages the reporting of any suspected wrongdoing. Our Speak Up Policy provides our employees and third parties (such as our suppliers) with various ways to alert management and directors to any concerns. This includes an independent Speak Up hotline, which is designed to assist in facilitating the reporting of any concerns confidentially, and anonymously if preferred. The Company has a strict non-retaliation policy in place to protect those raising concerns.

All Speak Ups are investigated thoroughly, however communicated. The Board receives updates on the nature and number of Speak Up concerns that the Company may receive.

Our Speak Up Policy is published on our corporate website at www.rotork.com/en/sustainability/esg-reports-and-policies/speak-up-policy. Details of how to use the Company's Speak Up hotline can be found in the Speak Up Policy or Code of Conduct.

Anti-bribery and corruption

Rotork has a zero-tolerance policy to bribery and corruption worldwide, irrespective of country or business culture. Both our Code of Conduct and Anti-Bribery and Corruption Policy make it clear that our employees will never offer, pay or solicit bribes in any form. Our Group Gifts and Hospitality Policy sets out our key principles regarding the giving and receiving of gifts and hospitality and the process that our employees are required to follow should they intend to offer or accept them.

We only engage channel partners and suppliers which pass our selection process and which we are satisfied will conduct business legally and ethically. We monitor these relationships on an ongoing basis and take appropriate action against any supplier that fails to adhere to the Supplier Code of Conduct, or channel partner that fails to adhere to the Channel Partner Code of Conduct.

Modern Slavery Act

In March 2026, the Board approved an updated Modern Slavery Statement which can be found on our corporate website at www.rotork.com/en/investors/modern-slavery-statement. The updated statement was considered to reflect Rotork's approach to identifying, monitoring and eradicating human slavery and trafficking in its business and supply chain, together with the continual improvements to be made during the coming year.

Charitable donations

Rotork supports its chosen global charity partners Pump Aid and Renewable World. Additionally, we make various local donations to charitable causes that are relevant to the communities in which Rotork's operating sites are based. Donations are also directed to the Rotork Benevolent Support, a charity that provides short-term financial support to employees, former employees and their families facing financial hardship. Further details are provided on page 54.

Political donations or political expenditure incurred

No political donations were made, or political expenditure incurred, during the year. The Group has a policy of not making political donations in any part of the world and this will continue. However, it is possible that certain routine activities undertaken by the Company and its subsidiaries might unintentionally fall within the wide definition of matters constituting political donations and expenditure in the Act. Accordingly, at the 2026 AGM, the Company is seeking a renewal of authority to ensure that it does not inadvertently commit any breaches of the Act through the undertaking of routine activities that would not normally be considered to comprise political donations or expenditure. Further details of the proposed ordinary resolution are provided within the 2026 AGM Notice.

Use of financial instruments

An explanation of the Group policies on the use of financial instruments and financial risk management objectives is contained in note 29 to the financial statements.

Existence of branches outside the UK

The Company has no branches outside of the UK.

Directors' report continued

Share capital

Details of the Company's share capital including the rights and obligations attached to each class of shares and the ordinary shares issued during 2025 are summarised in note 19 of the financial statements. Ordinary shares of 0.5p each represent over 99.9% of the Company's total share capital and £1 non-redeemable preference shares represent less than 0.1% of the Company's total share capital.

There are no securities of the Company carrying special rights with regard to the control of the Company.

At the Company's last AGM held on 2 May 2025, the shareholders authorised the Company to make market purchases of ordinary shares limited to just under approximately 10% of its issued ordinary share capital at that time and of certain issued preference shares, and to allot shares within certain limits approved by shareholders. These authorities will expire at the 2026 AGM and appropriate renewals are being sought from shareholders at the 2026 AGM. Further details of the resolutions proposed are provided within the 2026 AGM Notice.

Consistent with the Group's capital allocation policy the Company undertook a share buyback programme over the period 7 April 2025 to 31 October 2025 to return £50m (excluding stamp duty and expenses) of cash to shareholders. In accordance with the authorities provided by shareholders at the 2024 and 2025 AGMs respectively, the Company repurchased 15,353,151 ordinary shares with a nominal value of 0.5p each for a total consideration of £49,999,974.58 over the course of the programme. On 20 November 2025 the Company commenced a further share buyback programme, to return up to a further £50m (excluding stamp duty and expenses) of cash to shareholders. As at 31 December 2025, and in accordance with the authorities provided by shareholders at the 2025 AGM, the Company had repurchased 3,003,271 ordinary shares with a nominal value of 0.5p each for a total consideration of £9,999,997.87 over the course of the first tranche of the programme. All of the shares purchased in the share buyback programmes were subsequently cancelled. The Company does not hold any shares in treasury. The Company entered into irrevocable, non-discretionary arrangements with a broker in order to effect both share buyback programmes.

JTC Employer Solutions Limited is a shareholder which acts as the trustee of Rotork's Employee Benefit Trust (EBT). It is used to purchase Company shares in the market from time to time and hold them for the benefit of employees, including satisfying outstanding awards under the Company's various employee share plans. The EBT purchased a total of 646,328 ordinary shares during the year for an aggregate consideration of £2,153,061 including dealing costs) and released 732,855 shares to satisfy share plan awards. As at 31 December 2025, the EBT held 3,634,991 Rotork plc ordinary shares (0.44%) of the issued share capital in trust. A dividend waiver remains in place from the trustee in respect of the dividends payable by the Company on the shares held in the EBT. Further details can be found in note 19 to the financial statements.

The Company's Articles of Association contain customary restrictions on the transfer of shares as applicable only in certain limited circumstances (e.g. in relation to transfers to a minor). Save for those provisions, there are no restrictions on the transfer of ordinary shares in the capital of the Company other than certain restrictions which may be required from time to time by law, for example insider trading law. In accordance with the Company's Share Dealing Code, directors and certain employees are required to seek the prior approval of the Company in order to deal in its shares.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights. The Company's Articles of Association contain limited restrictions on the exercise of voting rights (e.g. in relation to disenfranchised shares following the issue of a notice to shareholders under Section 793 of the Companies Act 2006).

The Company's share schemes each contain provisions providing voting rights to the scheme trustee.

Amendments to the Company's Articles of Association

The Company's Articles of Association may only be amended by special resolution at a general meeting of the shareholders and were last updated and approved by shareholders at the AGM held on 30 April 2021.

Change of control provisions

The £75m unsecured revolving credit facility, under which the Company is the borrower, contains provisions allowing the lenders to cancel their loan commitment and require repayment of any outstanding amounts upon a change of control of the Company.

Compensation for loss of office

There are no agreements between the Company and its directors or employees that provide for compensation for loss of office or employment that occurs because of a takeover bid, except that provisions of the Company's share schemes and plans may cause options and awards granted to employees and directors under such schemes and plans to vest on a change of control of the Company.

Greenhouse gas emissions

The disclosures concerning greenhouse gas emissions required by law are set out in the key performance indicators on page 20, and contained within the Sustainability Review on pages 28 to 57. Our detailed greenhouse gas footprint is set out on pages 74 and 75.

Disabled persons and employee engagement

The disclosures concerning the Group's policies on the employment of disabled persons and how we engage with our employees are set out on pages 51 to 52 and 102 and 103. Information on how the Board monitored Rotork's cultural DNA during the year and how our cultural DNA is embedded throughout the organisation is set out on pages 16 and 17 and 92 and 93.

Engagement with suppliers and customers

Details of engagement activities with our suppliers and customers are set out on pages 100 to 103.

Relations with shareholders

The Board supports the aims of the 2024 Code and the UK Stewardship Code to promote engagement and interaction between listed companies and their major shareholders.

The Board welcomes the opportunity for investors and shareholders to engage directly with the Chair and Senior Independent Director alongside the Chief Executive Officer and Chief Financial Officer. Information on how the Board has engaged with its shareholders is set out on pages 100 and 101. A range of online and in-person investor relations events following the publication of the full year and half year results have been scheduled for 2026.

Directors' report continued

Substantial shareholders

As at 31 December 2025, the Company had been notified under DTR 5 of the following interests in its shares representing 3% or more of the voting rights in its issued share capital.

Save for the notification received from Norges Bank on 10 February 2026 (and captured within the table below), there were no changes in the interests in shares notified to the Company between 31 December 2025 and 9 March 2026.

Identity	Number of voting rights (direct and indirect)	% of voting rights
BlackRock, Inc.	55,423,196	6.67
Liontrust Investment Partners LLP	42,213,708	4.99
Norges Bank	24,587,722	2.98
Wellington Management Group LLP	43,614,072	5.25

Disclosure of information to the external auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's external auditor (KPMG LLP) is unaware, and each director has taken all the steps that they ought to have taken as a director to make themself aware of any relevant audit information and to establish that the Company's external auditor is aware of that information.

'Going concern' basis of preparation

After making enquiries, the directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, being a period of not less than 12 months from the date of this Directors' Report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. In forming this view, the directors have considered trading and cash flow forecasts, financial commitments, the significant order book with customers spread across different geographic areas and industries, available facilities and the net cash position. For further information see pages 161 to 165, which is incorporated into this Directors' Report by reference.

Viability statement

In line with the 2024 Code, the directors have carried out a rigorous review of the prospects of the current business, and its ability to meet its liabilities through to at least the end of December 2028. For further information, see page 67 which is incorporated into this Directors' Report by reference.

Events after the reporting period

On 26 February 2026, the Group entered into an agreement to sell 100% of the share capital of two non-core subsidiaries, Rotork Midland Limited and Rotork Instruments Italy Srl. The combined sale, for an enterprise value of £24.4m, subject to customary debt-like items and working capital adjustments, completed on 4 March 2026.

Annual General Meeting

The 2026 Annual General Meeting of the Company will be held on 1 May 2026. Full details of the resolutions to be proposed at the AGM, as well as shareholders' rights with respect to attendance, participation in the meeting and the process for submission of proxy votes in advance of the meeting, are set out in the Notice of AGM. The Notice of AGM will be issued to shareholders at least 21 working days prior to the AGM and will also be made available on the Company's website. Shareholders are requested to check the Company's website (www.rotork.com) for additional information and for the latest details concerning the 2026 AGM.

External auditor

Upon the recommendation of the Audit Committee and approval of the Board, a resolution to re-appoint KPMG LLP as the Company's external auditor, alongside a resolution to authorise the Audit Committee to determine its remuneration, will be proposed at the forthcoming AGM. The external auditor contract was last put out to competitive tender in 2023. Pursuant to the prevailing regulations, the Company is required to re-tender the external auditor contract by no later than for the 2034 financial year.

The Directors' Report was approved by the Board on 9 March 2026.

By order of the Board

Stuart Pain
Group General Counsel & Company Secretary
9 March 2026

Statement of directors' responsibilities in respect of the Annual Report and financial statements

Directors' responsibilities

The directors are responsible for preparing the Annual Report, and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent Company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law. The directors have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law , including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, and reliable and, in respect of the parent Company financial statements only, prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule ('DTR') 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R.

Directors' responsibility statement pursuant to the Disclosure Guidance and Transparency Rules

Each of the currently serving directors, whose names and functions are listed on pages 82 and 83, confirm that, to the best of each person's knowledge and belief:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group and Company;
- the Strategic Report and the Directors' Report include a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face; and
- having taken advice from the Audit Committee, the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

Kiet Huynh
Chief Executive Officer
9 March 2026

Financial statements

Financial statements

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Independent auditor's report

1. Our opinion is unmodified

We have audited the financial statements of Rotork plc ('the Company') for the year ended 31 December 2025 which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement of cash flows, Company balance sheet and Company statement of changes in equity, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit Committee.

We were first appointed as auditor by the shareholders on 30 April 2024. The period of total uninterrupted engagement is for the two financial years ended 31 December 2025. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview		
Materiality Group financial statements as a whole	£9m (2024: £8m) 4.9% (2024: 4.4%) of normalised Group profit before tax	
Key audit matters		**vs 2024**
Recurring risks	Revenue recognition	◀▶
	Parent company: recoverability of the Parent company's debt due from Group entities	◀▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters (unchanged from 2024), in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

Independent auditor's report to the members of Rotork plc continued

2. Key audit matters: our assessment of risks of material misstatement continued

	The risk	Our response
Revenue recognition (£777.3m; 2024: £754.4m) *Refer to page 110 (Audit Committee Report), page 167 (accounting policy) and page 173 (financial disclosures).*	**Revenue recognised in an inappropriate period** There is incentive and pressure for fraudulent revenue recognition driven by the Growth+ strategy and external expectations of revenue growth which is then reflected in internal targets. Historically, the group has recorded greater amounts of revenue in December which presents an opportunity to conceal fraudulent revenue recognition at the period end.	Our procedures included: • **Test of detail:** We agreed a sample of sales transactions prior to the year end based on their financial significance to purchase order and customer confirmation of collection or delivery to assess whether the performance obligation has been met and that revenue has been recognised in the appropriate accounting period; • **Test of detail:** We agreed a sample of post year end credit notes, based on their financial significance, to assess that revenue has not been overstated to date. We performed the detailed tests above rather than seeking to rely on any of the Group's controls as detailed testing is a more effective method of obtaining audit evidence due to the timing of when the control operates. **Our results** • The results of our testing were satisfactory and we considered the amount of revenue recognised in the year to be acceptable.
Parent company: Recoverability of the parent company's debt due from Group entities (£422.1m; 2024: £413.2m) *Refer to page 197 (financial disclosures)*	**Low risk, high value** The carrying amount of the intra-group debtor balance represents 90% (2024: 90%) of the parent company's total assets. Their recoverability is not at a high risk of material misstatement or subject to significant judgement. However, due to their materiality in the context of the parent company financial statements, this is considered to be the area which had the greatest effect on our overall parent company audit.	Our procedures included: • **Assessment of risk of default:** For a selection of the highest value intra-group debtor's representing 99% of the balance, we evaluated the likely risk of default (where default is defined as the inability of the subsidiary to pay within 30 days of the debt being called) with reference to the subsidiaries' net asset values and forecasts of future profitability. • **Assessing subsidiary audits:** We assessed the work performed by us and the component auditors of that sample of subsidiaries and considered the results of that work on the subsidiaries' profits and net assets. **Our results** • We found the intra-group debtor balances to be acceptable.

Independent auditor's report to the members of Rotork plc continued

3. Our application of materiality and an overview of the scope of our audit

Our application of materiality

Materiality for the Group financial statements as a whole was set at £9.0m (2024: £8.0m), determined with reference to a benchmark of Group profit before tax, normalised to add back this year's costs associated with business transformation of £25.6m and other exceptional items of £5.8m disclosed in note 2, of which it represents 4.9% (2024: 4.4%). We adjusted these items as they do not represent the normal, continuing operations of the group.

Materiality for the parent company financial statements as a whole was set at £5.9m (2024: £7.0m), determined with reference to a benchmark of company net assets, of which it represents 2.0% (2024: 2.1%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 65% (2024: 65%) of materiality for the financial statements as a whole, which equates to £5.9m (2024: £5.2m). We applied this percentage in our determination of performance materiality based on the level of identified misstatements, control deficiencies and changes in the control environment during the prior period.

Performance materiality for the Parent company was set at 75% of materiality for the financial statements as a while, which equates to £4.4m (2024: £5.2m). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £0.45m (2024: £0.4m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

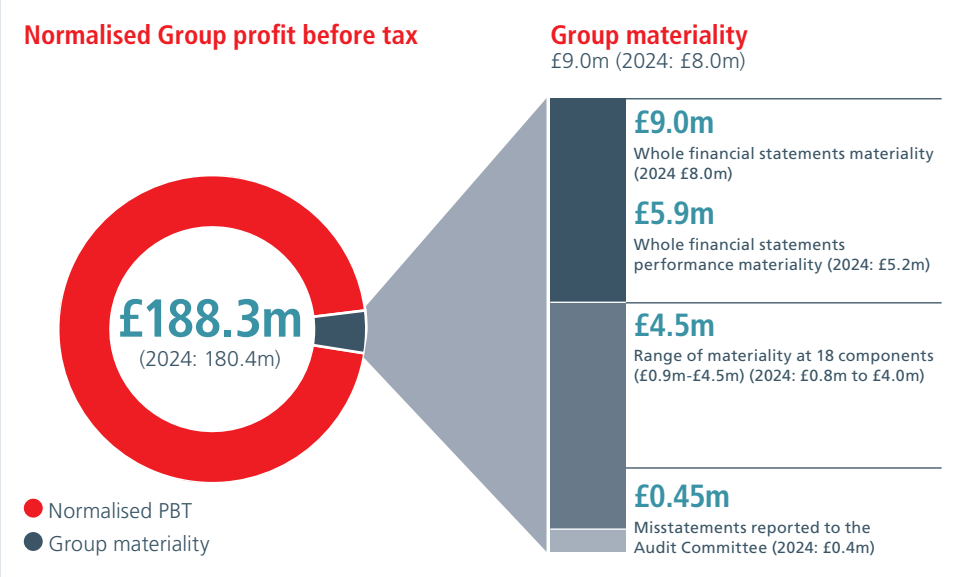
Overview of the scope of our audit

We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

In total, we identified 62 (2024: 62) components, having considered the Group's operational structure, geographical locations, the presence of key audit matters and our ability to perform audit procedures centrally.

Of those, we identified 2 (2024: 3) quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures.

We also identified 10 (2024: 9) components as requiring special audit consideration, owing to Group risk relating to revenue (2024: revenue) residing in these components.



Additionally, we selected 4 (2024: 6) components with accounts contributing to the specific risks to the Group financial statements.

Accordingly, we performed audit procedures on 16 (2024: 18) components. We involved component auditors on 11 (2024: 16) components. We performed audit procedures on the items excluded from the normalised Group profit before tax used as the benchmark for our materiality.

We set the component materialities, ranging from £0.9m to £4.5m (2024: £0.8m to £4.0m), having regard to size and risk profile.

Our audit procedures covered 70% (2024: 70%) of Group revenue.

We performed audit procedures in relation to components that accounted for 75% (2024: 68%) of total profits and losses which made up Group profit before tax and 68% (2024: 78%) of Group total current assets.

For the remaining components for which we performed no audit procedures, no component represented more than 3.5% (2024: 3.7%) of Group total revenue, the profits and losses which made up Group profit before tax or Group current assets. We performed analysis at a Group level to re-examine our assessment that there is not a risk of material misstatement relating to these components.

The Group auditor performed the audit of the parent company.

Independent auditor's report to the members of Rotork plc continued

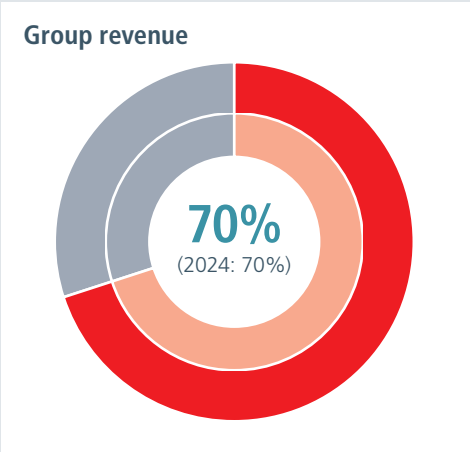
3. Our application of materiality and an overview of the scope of our audit continued

Group auditor oversight

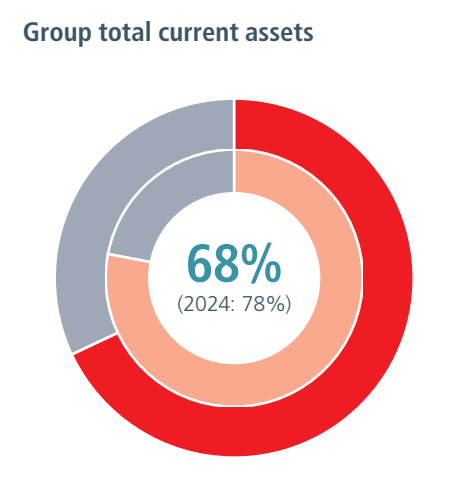
In working with component auditors, we:

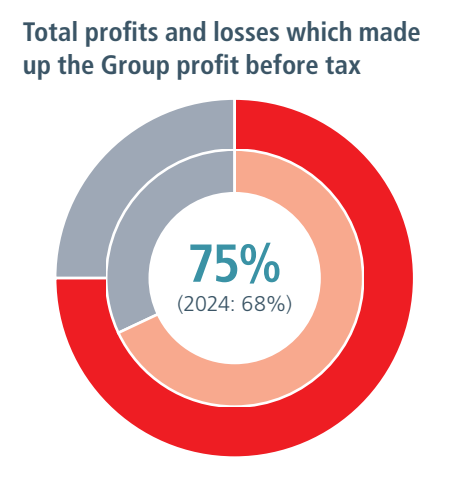
- conducted the risk assessment and planning discussion meetings with component auditors to discuss Group audit risks relevant to the components, including key audit matter in respect of revenue recognition;
- issued Group audit instructions to component auditors on the scope and nature of their work;
- visited 4 (2024: 7) component auditors in person as the audit progressed to understand and evaluate their work. Video and telephone conference meetings were held with these components, as well as those we did not visit physically. At these visits and meetings, the results of the planning procedures and further audit procedures communicated to us were discussed in more detail and any further work required by us was then performed by the component auditors; and
- we inspected the work performed by the component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed , with a particular focus on work relating to the revenue recognition key audit matter, the risk of management override of controls, and inventory.

Our audit procedures covered the following percentage of Group revenue:



We performed audit procedures in relation to components that accounted for the following percentages of the total profits and losses that made up Group profit before tax and Group current assets:





Impact of controls on our group audit

The Group has nine main, separate ERP IT systems which are relevant to our Group audit. These include both legacy systems which have been in place for a number of years, the Group's new ERP system which is in use at a small number of components, as well as a consolidation system. With support from our IT auditors, we gained an understanding of these systems.

Our testing, including further procedures in response to identified deficiencies, demonstrated that we were able to rely on general IT controls and automated controls in relation to the consolidation system in determining the work to be performed over certain consolidation activities. For the other systems, we did not plan to rely on IT controls due to deficiencies and, in some cases informalities identified as part of our risk assessment procedures.

For other areas of the audit, given we did not plan to rely on the related IT controls and considering the most efficient and effective approach for gaining the appropriate audit evidence, we took a predominantly substantive audit approach in all areas of our audit. We adopted a data-oriented approach to testing both manual and automated journals and used data and analytical routines to test revenue across all components. Given we did not rely on the related IT controls, a manual testing approach was performed over the completeness and accuracy of data used in these routines.

Independent auditor's report to the members of Rotork plc continued

4. The impact of climate change on our audit

We have considered the potential impacts of climate change on the financial statements as part of planning our audit.

The key factors of Rotork's business which were relevant in our considerations were the current and forecast levels of trade with customers in the Oil and Gas industry (and impact on continued demand for Rotork's products), the geographical locations of key factories and Rotork's own decarbonisation targets.

We have performed a risk assessment over how climate change may impact the financial statements and our audit. Taking into account of the extent of headroom in the goodwill impairment assessment, the remaining useful economic lives of PPE and the nature of the Group's products, our assessment is that climate related risks to the Group's strategy and financial planning did not have significant impact on our audit given the nature of the Group's operations.

We have read the disclosure of climate related information on pages 68 to 75 of the front half of the annual report and considered consistency with the financial statements and our audit knowledge.

5. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least 12 months from the date of approval of the financial statements ('the going concern period').

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources over this period were:

- the ability of Rotork to deliver forecast growth in 2026 and 2027 from key customers; and
- potential impact of significant one-off cash transactions impacting the liquidity of the Group.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources and covenants indicated by the Group's financial forecasts.

We assessed the completeness of the going concern disclosure.

Our conclusions based on this work were:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- the related statement under the UK Listing Rules set out on page 150 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors, the Audit Committee and internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for whistleblowing, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board and Audit Committee meeting minutes;
- considering remuneration incentive schemes and performance targets for management and directors, including the relevant targets for management remuneration; and
- using analytical procedures to identify any unusual or unexpected relationships.

Independent auditor's report to the members of Rotork plc continued

6. Fraud and breaches of laws and regulations – ability to detect continued

Identifying and responding to risks of material misstatement due to fraud continued

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group auditor to component auditors of relevant fraud risks identified at the Group level and requesting component auditors performing procedures at the component level to report to the Group auditor any identified fraud risk factors or identified or suspected instances of fraud.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that Group and component management may be in a position to make inappropriate accounting entries; and
- the risk that revenue from the sale of goods is overstated through recording revenues in the wrong period.

We did not identify any additional fraud risks.

Further detail in respect of revenue recognition is set out in the key audit matter disclosures in section 2 of this report.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls

We also performed procedures including:

- identifying journal entries and other adjustments to test at the Group level and for selected components based on risk criteria and comparing the identified entries to supporting documentation. These included those journals descriptions containing specific words and phrases; and
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group auditor to component auditors of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery and money laundering, employment law and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Independent auditor's report to the members of Rotork plc continued

7. We have nothing to report on the other information in the Annual Report continued

Strategic Report and Directors' Report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' Remuneration Report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of Emerging and Principal Risks and the Viability Statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the Viability Statement on page 67 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the emerging risks and opportunities disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability Statement set out on page 67 under the UK Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the Annual Report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the Annual Report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review, and to report to you if a corporate governance statement has not been prepared by the Company. We have nothing to report in these respects.

Based solely on our work on the other information described above:

- with respect to the Corporate Governance Statement disclosures about internal control and risk management systems in relation to financial reporting processes and about share capital structures:
  - we have not identified material misstatements therein; and
  - the information therein is consistent with the financial statements; and
- in our opinion, the Corporate Governance Statement has been prepared in accordance with relevant rules of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

Independent auditor's report to the members of Rotork plc continued

8. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 151, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; assessing the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so. In addition, the directors are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Huw Brown (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE
9 March 2026

Consolidated income statement and Consolidated statement of comprehensive income

Consolidated income statement
For the year ended 31 December 2025

	Note	2025 £m	2024 £m
Revenue	3	**777.3**	754.4
Cost of sales		**(388.5)**	(382.5)
Gross profit		**388.8**	371.9
Other income	6	**4.3**	1.8
Distribution costs		**(6.3)**	(6.7)
Administrative expenses		**(229.1)**	(230.9)
Other expenses	6	**(0.6)**	(0.2)
Operating profit	3	**157.1**	135.9
Finance income	8	**5.3**	7.3
Finance expense	8	**(4.5)**	(2.7)
Profit before tax	9	**157.9**	140.5
Income tax expense	10	**(41.0)**	(35.7)
Profit for the year		**116.9**	104.8
Attributable to:			
Owners of the parent		**115.4**	103.6
Non-controlling interests		**1.5**	1.2
		116.9	104.8
Basic earnings per share	20	**13.8p**	12.1p
Diluted earnings per share	20	**13.7p**	12.1p
Operating profit	3	**157.1**	135.9
Adjustments to profit:			
Amortisation of acquired intangible assets	5	**3.0**	2.6
Defined benefit scheme settlement loss	5	**—**	18.0
Other adjustments	5	**31.4**	21.9
Adjusted operating profit	3	**191.5**	178.4
Adjusted basic earnings per share	20	**17.0p**	15.9p
Adjusted diluted earnings per share	20	**16.9p**	15.8p

Consolidated statement of comprehensive income
For the year ended 31 December 2025

	2025 £m	2024 £m
Profit for the year	**116.9**	104.8
Other comprehensive income		
Items that may be subsequently reclassified to the income statement:		
Foreign exchange translation differences	**(10.5)**	(12.9)
Effective portion of changes in fair value of cash flow hedges net of tax	**(0.2)**	(0.1)
	(10.7)	(13.0)
Items that may not be subsequently reclassified to the income statement:		
Remeasurement gain in pension scheme net of tax	**0.7**	0.6
Expenses and income recognised in other comprehensive income	**(10.0)**	(12.4)
Total comprehensive income for the year	**106.9**	92.4
Attributable to:		
Owners of the parent	**105.7**	91.1
Non-controlling interests	**1.2**	1.3
	106.9	92.4

Consolidated balance sheet

Consolidated balance sheet
At 31 December 2025

	Note	2025 £m	2024 £m
Non-current assets			
Goodwill	11	**229.3**	224.8
Intangible assets	12	**44.4**	31.4
Property, plant and equipment	13	**91.3**	90.3
Derivative financial instruments	25	**—**	0.1
Deferred tax assets	14	**24.2**	22.1
Total non-current assets		**389.2**	368.7
Current assets			
Inventories	15	**89.6**	83.4
Trade receivables	16	**178.5**	149.5
Current tax	16	**2.6**	4.2
Derivative financial instruments	25	**1.0**	0.9
Other receivables	16	**24.3**	23.8
Cash and short-term deposits	17	**110.0**	150.0
Assets held for sale	18	**18.6**	—
Total current assets		**424.6**	411.8
Total assets		**813.8**	780.5
Current liabilities			
Interest-bearing loans and borrowings	21	**4.6**	4.3
Trade payables	24	**60.7**	43.8
Employee benefits	22	**31.3**	29.1
Current tax	24	**14.3**	16.0
Derivative financial instruments	25	**0.5**	0.4
Other payables	24	**46.8**	50.0
Provisions	23	**5.4**	4.8
Liabilities directly associated with the assets held for sale	18	**6.4**	—
Total current liabilities		**170.0**	148.4

	Note	2025 £m	2024 £m
Non-current liabilities			
Interest-bearing loans and borrowings	21	**40.1**	20.4
Employee benefits	22	**7.5**	7.7
Deferred tax liabilities	14	**9.7**	4.0
Derivative financial instruments	25	**—**	0.1
Other payables	24	**1.7**	—
Provisions	23	**0.4**	1.4
Total non-current liabilities		**59.4**	33.6
Total liabilities		**229.4**	182.0
Net assets		**584.4**	598.5
Equity			
Issued equity capital	19	**4.1**	4.2
Share premium		**23.4**	21.9
Other reserves		**(9.8)**	0.5
Retained earnings		**563.9**	569.2
Equity attributable to the owners of the Company		**581.6**	595.8
Non-controlling interests		**2.8**	2.7
Total equity		**584.4**	598.5

These financial statements were approved by the Board of Directors and authorised for issue on 9 March 2026 and were signed on its behalf by:

K Huynh and B Peacock
Directors

Consolidated statement of changes in equity

Consolidated statement of changes in equity
For the year ended 31 December 2025

	Issued equity capital £m	Share premium £m	Translation reserve* £m	Capital redemption reserve* £m	Hedging reserve* £m	Retained earnings £m	Total attributable to owners of the Company £m	Non-controlling interests £m	Total £m
Balance at 31 December 2023	4.3	21.0	11.2	1.7	0.6	581.8	620.6	1.7	622.3
Profit for the year	—	—	—	—	—	103.6	103.6	1.2	104.8
Other comprehensive income									
Foreign exchange translation differences	—	—	(13.0)	—	—	—	(13.0)	0.1	(12.9)
Effective portion of changes in fair value of cash flow hedges	—	—	—	—	(0.1)	—	(0.1)	—	(0.1)
Actuarial gain on defined benefit pension plans	—	—	—	—	—	0.9	0.9	—	0.9
Tax on other comprehensive (loss)/income	—	—	—	—	—	(0.3)	(0.3)	—	(0.3)
Total other comprehensive (loss)/income	—	—	(13.0)	—	(0.1)	0.6	(12.5)	0.1	(12.4)
Total comprehensive (loss)/income	—	—	(13.0)	—	(0.1)	104.2	91.1	1.3	92.4
Transactions with owners, recorded directly in equity									
Equity settled share-based payment transactions	—	—	—	—	—	4.0	4.0	—	4.0
Share options exercised by employees	—	0.9	—	—	—	—	0.9	—	0.9
Own ordinary shares acquired	—	—	—	—	—	(10.3)	(10.3)	—	(10.3)
Own ordinary shares awarded under share schemes	—	—	—	—	—	3.1	3.1	—	3.1
Share buyback programme	(0.1)	—	—	0.1	—	(50.3)	(50.3)	—	(50.3)
Dividends paid on ordinary shares	—	—	—	—	—	(63.3)	(63.3)	—	(63.3)
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	(0.3)	(0.3)
Balance at 31 December 2024	4.2	21.9	(1.8)	1.8	0.5	569.2	595.8	2.7	598.5

* Other reserves on face of the condensed consolidated balance sheet includes the translation reserve, capital redemption reserve and hedging reserve.

Consolidated statement of changes in equity
For the year ended 31 December 2025

	Issued equity capital £m	Share premium £m	Translation reserve* £m	Capital redemption reserve* £m	Hedging reserve* £m	Retained earnings £m	Total attributable to owners of the Company £m	Non-controlling interests £m	Total £m
Balance at 31 December 2024	4.2	21.9	(1.8)	1.8	0.5	569.2	595.8	2.7	598.5
Profit for the year	—	—	—	—	—	**115.4**	**115.4**	**1.5**	**116.9**
Other comprehensive income									
Foreign exchange translation differences	—	—	**(10.2)**	—	—	—	**(10.2)**	**(0.3)**	**(10.5)**
Effective portion of changes in fair value of cash flow hedges	—	—	—	—	**(0.3)**	—	**(0.3)**	—	**(0.3)**
Actuarial gain on defined benefit pension plans	—	—	—	—	—	**1.1**	**1.1**	—	**1.1**
Tax on other comprehensive (loss)/income	—	—	—	—	**0.1**	**(0.4)**	**(0.3)**	—	**(0.3)**
Total other comprehensive (loss)/income	—	—	**(10.2)**	—	**(0.2)**	**0.7**	**(9.7)**	**(0.3)**	**(10.0)**
Total comprehensive (loss)/income	—	—	**(10.2)**	—	**(0.2)**	**116.1**	**105.7**	**1.2**	**106.9**
Transactions with owners, recorded directly in equity									
Equity settled share-based payment transactions	—	—	—	—	—	**7.8**	**7.8**	—	**7.8**
Share options exercised by employees	—	**1.5**	—	—	—	—	**1.5**	—	**1.5**
Own ordinary shares acquired	—	—	—	—	—	**(2.2)**	**(2.2)**	—	**(2.2)**
Share buyback programme	**(0.1)**	—	—	**0.1**	—	**(60.4)**	**(60.4)**	—	**(60.4)**
Dividends paid on ordinary shares	—	—	—	—	—	**(66.6)**	**(66.6)**	—	**(66.6)**
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	**(1.1)**	**(1.1)**
Balance at 31 December 2025	**4.1**	**23.4**	**(12.0)**	**1.9**	**0.3**	**563.9**	**581.6**	**2.8**	**584.4**

Detailed explanations for equity capital, the translation reserve, capital redemption reserve and hedging reserve can be seen in note 19.

* Other reserves on face of the condensed consolidated balance sheet includes the translation reserve, capital redemption reserve and hedging reserve.

Consolidated statement of cash flows

Consolidated statement of cash flows
For the year ended 31 December 2025

	Note	2025 £m	2025 £m	2024 £m	2024 £m
Cash flows from operating activities					
Cash generated from operations	26	**193.0**		212.7	
Operating cash flow impacts of other adjustments	5	**(27.8)**		(21.2)	
Difference between pension charge and cash contribution		**(0.3)**		(3.9)	
Income taxes paid		**(39.1)**		(38.8)	
Net cash flows from operating activities			**125.8**		148.8
Cash flows from investing activities					
Purchase of property, plant and equipment		**(9.4)**		(14.0)	
Purchase of intangible assets		**—**		(1.6)	
Product development costs capitalised		**(5.0)**		(4.3)	
Sale of property, plant and equipment		**2.0**		0.2	
Acquisition of business (net of cash acquired)	4	**(31.8)**		—	
Settlement of hedging derivatives		**(0.7)**		2.7	
Interest received		**1.6**		4.1	
Net cash flows from investing activities			**(43.3)**		(12.9)
Cash flows from financing activities					
Issue of ordinary share capital		**1.5**		0.9	
Own ordinary shares acquired		**(2.2)**		(10.3)	
Interest paid		**(1.8)**		(2.0)	
Repayment of lease liabilities		**(3.9)**		(4.2)	
Proceeds from borrowings		**73.5**		—	
Repayment of borrowings		**(59.5)**		—	
Share buyback programme		**(60.4)**		(50.3)	
Dividends paid on ordinary shares		**(66.6)**		(63.3)	
Dividends paid to non-controlling interests		**(1.1)**		(0.3)	
Net cash flows from financing activities			**(120.5)**		(129.5)
Net (decrease)/increase in cash and cash equivalents			**(38.0)**		6.4
Cash and cash equivalents at 1 January			**150.0**		146.4
Effect of exchange rate fluctuations on cash held			**(2.0)**		(2.8)
Cash and cash equivalents at 31 December	17		**110.0**		150.0

Notes to the Group financial statements

For the year ended 31 December 2025

The Group has changed the presentation of notes to the financial statements from thousands of pounds (£000) to millions of pounds (£m), unless indicated otherwise. This change has been applied retrospectively to all comparative information for consistency.

Rotork plc is a public company limited by shares, registered and domiciled in England and Wales. Its ordinary shares have a commercial companies (equity shares) category listing on the London Stock Exchange. The consolidated financial statements of the Company for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the Group). The accounting policies contained below in note 1 and the disclosures in notes 2 to 34 all relate to the Group financial statements. The Company balance sheet, accounting policies and applicable notes can be found following note 34.

1. Accounting policies

The accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of Rotork plc have been prepared in accordance with UK-adopted International Accounting Standards.

The consolidated financial statements have been prepared under the historical cost convention except for defined benefit pension scheme assets, share-based payments and derivative financial instruments as referred to in the respective accounting policies below. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

New accounting standards and interpretations

An amendment to IAS 21 'Lack of Exchangeability' has been issued by the IASB and was effective for the period beginning 1 January 2025. The application of this amendment has not had any material impact on the Group's financial reporting on adoption.

New standards and interpretations not yet adopted

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective and are not mandatory for periods ended 31 December 2025:

Amendments to IFRS 9 and IFRS 7	Amendments to the classification and measurement of financial instruments and Contracts referencing Nature-dependent Electricity
IFRS 18	Presentation and disclosures in financial statements

Amendments to IFRS 9 and IFRS 7 are effective for periods beginning on or after 1 January 2026 and are not expected to have a material impact on the Group's financial reporting on adoption. The impact of IFRS 18 is still being assessed and is effective from 1 January 2027.

Adjustments to profit

Adjustments to profit are items of income and expense which, because of the nature, size and/or infrequency of the events giving rise to them, merit separate presentation. These specific items are presented as a footnote to the income statement to provide greater clarity and an enhanced understanding of the impact of these items on the Group's financial performance. In doing so, it also facilitates greater comparison of the Group's results with prior periods and assessment of trends in financial performance. This split is consistent with how business performance is measured internally.

Adjustments to profit items may include but are not restricted to: costs of significant business restructuring and any associated impairments of intangible or tangible assets, adjustments to the fair value of acquisition-related items such as contingent consideration, acquired intangible asset amortisation and other items considered to be significant due to their nature or the expected infrequency of the events giving rise to them.

Going concern

The directors are satisfied that the Group has sufficient resources to continue in operation for a period of not less than 12 months from the date of this report, and that no material uncertainties exist with respect to this assessment. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

In forming this view, the macroeconomic conditions and the impact of geopolitical instability on the Group, as discussed in our principal risks on pages 60 to 66, have been considered. The directors have reviewed the current financial position of the Group which remains robust. At the period end, the Group has £65.3m of net cash and access to liquidity through a committed revolving credit facility (RCF) of which £53.0m remains undrawn and uncommitted overdraft facilities of £46.0m. The RCF expires in 2029 and contains a ratio of 3.5:1 consolidated net debt to consolidated EBITDA covenant. The Group is in a net cash position at year end and regularly monitors its financial position to ensure that it remains within the terms of this covenant. The Group also has a significant order book, which contains customers spread across different geographic areas and industries and the trading and cash flow forecasts for the Group.

A reverse stress test, which identifies scenarios where the Group's business model would become unviable, has been performed, and the directors believe there is no reasonably possible scenario that would lead to the conditions modelled in the reverse stress test. The Group also has a number of mitigating actions that it can take at short notice to preserve cash, such as reduction in capital programmes, dividend deferral and other reductions in discretionary spend.

Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries for the year to 31 December 2025. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases. Intra-group balances and any unrealised gains or losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Notes to the Group financial statements continued

For the year ended 31 December 2025

1. Accounting policies continued

Foreign currencies

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of each Group company is expressed in sterling, which is the functional currency of the Company, and the presentational currency for the consolidated financial statements.

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to sterling at foreign exchange rates at the dates the values were determined.

Assets and liabilities of foreign subsidiaries, including goodwill and fair value adjustments arising on consolidation, are translated into sterling at rates of exchange ruling at the balance sheet date. The revenues and expenses of foreign subsidiaries are translated to sterling at the average foreign exchange rates for the year; this is deemed to be a reasonable approximation of the actual rate ruling at the transaction date. Differences on exchange arising from the retranslation of the opening net investment in subsidiaries, and from the translation of the results of those subsidiaries at the average rate, are reported as an item of other comprehensive income and accumulated in the translation reserve. Any differences that have arisen since 1 January 2004, the date of transition to IFRS, are presented as a separate component of equity. Translation differences that arose before the date of transition to IFRS in respect of all foreign entities are not presented as a separate component.

Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control of a product or service to a customer and is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The transaction price is determined and known at the point of initial sale.

Revenue from the sale of actuators, gearboxes and flow control products is recognised in the income statement when control of the goods has transferred. The timing of the transfer of control to the customer varies depending on the nature of the products sold and the individual terms of the contract of sale. Sales made under internationally accepted trade terms, Incoterms 2020, are recognised as revenue when the Group has completed the primary duties required to transfer control as defined by the International Chamber of Commerce Official Rules for the Interpretation of Trade Terms. This is the agreed point in time when the customer has accepted and has legal title to the goods, there is a present right to payment for the goods, and they can determine its future use and location.

The Group provides service and support through preventative maintenance contracts, on-site and workshop service, retrofit solutions and the client support programme. Revenue in respect of on-site and workshop service and retrofit solutions is recognised on completion of the work and after all performance obligations have been completed. Revenue in respect of preventative maintenance contracts and the client support programme is recognised as the services are performed in line with the contractual terms. The stage of completion is assessed by reference to the transfer of control over time, which usually corresponds to the contractual agreement with each separate customer and the costs incurred on the contract to date in comparison with the total forecast costs of the contract. The directors have assessed that these contracts are satisfied over time given that the customer simultaneously receives and consumes the benefits provided by the Group. The nature of revenue recognised on an over time basis is not dissimilar to that recognised on a point in time basis when considering the factors in IFRS 15, in particular the short timeframe over which the Group's performance obligations are satisfied and the low level of uncertainty in those revenue arrangements. No further disaggregation is considered necessary in note 3.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated completion costs, the possible return of goods or continuing management involvement with the goods.

The Group has applied the practical expedient in IFRS 15.121 and therefore not disclosed the information in IFRS 15.120 regarding unsatisfied (or partially unsatisfied) performance obligations on contracts with a duration of one year or less.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in the income statement. The fair value of the assets and liabilities assumed are provisional for no more than a 12-month period. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the consolidated income statement.

Goodwill is stated at cost or deemed cost less any impairment losses. Goodwill is not amortised but is reviewed for impairment annually. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGUs) expected to benefit from the synergies of the combination. An impairment loss is recognised whenever the carrying value of an asset or its CGU exceeds its recoverable amount. Impairment losses are recognised in the consolidated income statement.

Notes to the Group financial statements continued

For the year ended 31 December 2025

1. Accounting policies continued

Non-controlling interests

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders is initially measured at the non-controlling interests' proportion of the share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Intangible assets

i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement in the period in which it is incurred. Development costs incurred after the point at which the commercial and technical feasibility of the product has been proven, and the decision to complete the development has been taken and resources made available, are capitalised. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Development expenditure has an estimated useful life of up to five years and is written off on a straight-line basis.

ii) Software as a Service

For 'Software as a Service' (SaaS) arrangements, the Group capitalises costs only relating to the configuration and customisation of SaaS arrangements as intangible assets where control of the software and associated configured and customised elements exists. An element of judgement is involved with identifying specific elements of programme costs. These judgements do not have a significant impact on the costs to be capitalised. SaaS assets are assessed to have useful lives of 10 to 15 years from the point in time they are available for use and are amortised on a straight-line basis.

iii) Other intangible assets

Other intangible assets that are acquired by the Group as part of a business combination are stated at cost less accumulated amortisation and impairment losses. The useful life of each of these assets is assessed based on discussions with the management of the acquired business and takes account of the differing nature of each of the intangible assets acquired. The assessed useful lives of intangibles acquired are as follows:

Brands	4 to 10 years
Customer relationships	2 to 8 years
Other	3 to 8 years

Amortisation is charged on a straight-line basis over the estimated useful life of the assets.

Property, plant and equipment

Freehold land is not depreciated. Long leasehold buildings are amortised over 50 years or the expected useful life of the building where less than 50 years. Other assets are depreciated in equal annual instalments by reference to their estimated useful lives and residual values at the following annual rates:

Freehold buildings	2% to 4%
Short leasehold buildings	period of lease
Plant and equipment	10% to 33%

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses.

Leases

i) The Group as a lessee

For any new contracts entered into, the Group considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

ii) Measurement and recognition of leases as a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). Where a lease allows for an extension to the initial duration, this is recognised only when the extension is reasonably certain to be exercised.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

Notes to the Group financial statements continued

For the year ended 31 December 2025

1. Accounting policies continued

Leases continued

ii) Measurement and recognition of leases as a lessee continued

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or income statement if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the income statement on a straight-line basis over the lease term.

On the balance sheet, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in interest-bearing loans and borrowings.

Interest-bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Group becomes party to the related contracts and are measured initially at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the balance sheet date.

Taxation

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case it is recognised in equity or in other comprehensive income respectively. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the effect of taxable temporary differences for goodwill not deductible for tax purposes and the initial recognition of assets or liabilities in a transaction which is not a business combination that affect neither accounting nor taxable profits. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Both deferred and current tax assets and liabilities are offset when criteria set out in IAS 12.71 and IAS 12.74 are met.

Inventory and work in progress

Inventory and work in progress is valued at the lower of cost and net realisable value. Cost is calculated either on a 'first in, first out' or an average cost basis depending upon its nature and use. In respect of work in progress and finished goods, cost includes all production overheads and the attributable proportion of indirect overhead expenses which are required to bring inventories to their present location and condition. The net realisable value in respect of old and slow moving inventory is assessed by reference to historic usage patterns and forecast future usage.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and are subsequently held at amortised cost less any expected credit losses according to IFRS 9.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term (with an original maturity less than three months) deposits. Bank overdrafts that are repayable on demand form part of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

Assets held for sale

Non-current assets or disposal groups comprising assets and liabilities are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use, it is available for immediate sale and the sale is highly probably within one year.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets or employee benefit assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property plant and equipment are no longer amortised or depreciated and any equity-accounted investee is no longer equity accounted.

Equity

Equity comprises issued equity capital, share premium, reserves and retained earnings.

When issued equity capital is repurchased, the amount paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares that are immediately cancelled are debited directly to equity with the nominal value transferred to the capital redemption reserve. The difference between the nominal value and the purchase price is shown as a deduction from retained earnings.

Notes to the Group financial statements continued

For the year ended 31 December 2025

1. Accounting policies continued

Provisions

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty cost data, known issues and management expectations of future costs.

Employee benefits

i) Pension plans

Where the Group operates a defined benefit pension scheme, contributions are made in accordance with the schedule of contributions agreed with the Trustees. In respect of all remeasurements that arise in calculating the Group's obligation in respect of the plans, these are recognised in other comprehensive income. The retirement benefit obligation recognised in the consolidated balance sheet represents the deficit in the Group's defined benefit pension schemes. Where the interest is a net expense it is recognised within finance expenses and where it is net income it is recognised within finance income.

The Group also operates defined contribution pension schemes. The costs for these schemes are recognised in the income statement as incurred.

ii) Share-based payment transactions

The Rotork Sharesave Plan offers certain employees the opportunity to purchase shares in Rotork plc at a discounted price compared with the market price at the time of grant. Details of the scheme are given in note 28. The fair value of the right/option is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period between grant and maturity. The right/option reaches maturity when the employee becomes unconditionally entitled. The fair value of the grant is measured using a Black-Scholes model, taking into account the terms and conditions upon which the rights were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to share prices not achieving the threshold for vesting.

The Rotork Long Term Incentive Plan grants shares to executive directors and senior managers. These awards may vest after a period of three years dependent upon both market and non-market performance conditions being met. Details of the grants are given in note 28. The fair value of the award is measured at grant date, using a Monte Carlo simulation model which takes into account the market-based performance criteria, and spread over the vesting period. The fair value of the award is recognised as an employee expense with a corresponding increase in equity for the share-settled award. The amount recognised as an expense is adjusted to exclude options that do not vest as a result of non-market performance conditions not being met.

The Global Employee Share Plan (GESP) and the Share Incentive Plan (SIP) are discretionary profit-linked share schemes based on the prior year profit of the participating Rotork companies. The value of the award to each employee is based on salary and the length of service. The value of the awards can be up to £3,600. Shares awarded under these schemes are issued by the trustee at the cost of purchase. The costs of providing these plans are recognised in the income statement over the period in which the employee has earned the award.

iii) Long-term service leave

The Group's net obligation in respect of long-term service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

iv) Other employee benefits

The Group offers a number of discretionary bonus schemes to employees around the world. The costs of these schemes are recognised in the income statement as the criteria are met and service is undertaken.

Derivative financial instruments

The Group uses forward exchange contracts and swaps to hedge its exposure to foreign exchange risk arising from operational and financing activities. These are the only derivative financial instruments used by the Group. In accordance with its Treasury Policy, the Group does not hold or issue contracts for trading purposes. Forward exchange contracts that do not qualify for hedge accounting are accounted for as trading instruments.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Forward exchange contracts are recognised initially at fair value. Where a forward exchange contract is designated as a hedge of the variability in cash flows of a recognised liability or a highly probable forecasted transaction, the effective part of any gain or loss on the forward contract is recognised directly in other comprehensive income. Any effective cumulative gain or loss is removed from equity and recognised in the income statement at the same time as the hedged transaction. The ineffective part of any gain or loss is recognised in the income statement immediately.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss held in equity is recognised in the income statement immediately.

Dividends

Interim dividends are recorded in the financial statements when they are paid. Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders.

Notes to the Group financial statements continued

For the year ended 31 December 2025

1. Accounting policies continued

Critical judgements and key estimation uncertainties

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

As described on pages 35 to 38, we have considered the impact of climate change and climate-related risks and concluded that there is no material impact on the key accounting policies, estimates and judgements that form the basis of these financial statements.

The Group makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year are listed below.

i) Critical accounting judgements

There are no critical accounting judgements requiring evaluation.

ii) Key sources of estimation uncertainty

There are no key sources of estimation uncertainty in the current or prior year.

2. Alternative performance measures

The Group uses adjusted figures as key performance measures in addition to those reported under adopted IFRS, as management believe these measures provide stakeholders with additional useful information to facilitate greater comparison of the Group's underlying results with prior periods and assessment of trends in financial performance.

The Group believes alternative performance measures, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These alternative performance measures are consistent with how the business performance is planned and reported within the internal management reporting to the Board. Some of these measures are also used for the purpose of setting remuneration targets.

The key alternative performance measures that the Group use include adjusted profit measures and organic constant currency (OCC). Explanations of how they are calculated and how they are reconciled to IFRS statutory results are set out below.

a. Adjusted operating profit

Adjusted operating profit is the Group's operating profit excluding the amortisation of acquired intangible assets and other adjusting items as defined in note 1. Further details on these adjustments are given in note 5.

	2025	2024
Operating profit	**157.1**	135.9
Adjustments:		
Amortisation of acquired intangible assets	**3.0**	2.6
Defined benefit scheme settlement loss	**—**	18.0
Business Transformation costs	**25.6**	17.2
Disposal-related costs	**3.1**	—
Other costs	**2.7**	4.7
Adjusted operating profit	**191.5**	178.4

b. Adjusted profit before tax

The adjustments in calculating adjusted profit before tax are consistent with those in calculating adjusted operating profit above.

	2025	2024
Profit before tax	**157.9**	140.5
Adjustments:		
Amortisation of acquired intangible assets	**3.0**	2.6
Defined benefit scheme settlement loss	**—**	18.0
Business Transformation costs	**25.6**	17.2
Disposal-related costs	**3.1**	—
Other costs	**2.7**	4.7
Adjusted profit before tax	**192.3**	183.0

Notes to the Group financial statements continued

For the year ended 31 December 2025

2. Alternative performance measures continued

c. Adjusted basic and diluted earnings per share

Adjusted basic earnings per share is calculated using the adjusted net profit attributable to the ordinary shareholders and dividing it by the weighted average ordinary shares in issue (see note 20). Adjusted net profit attributable to ordinary shareholders is calculated as follows:

	2025	2024
Net profit attributable to ordinary shareholders	**115.4**	103.6
Adjustments:		
Amortisation of acquired intangible assets	**3.0**	2.6
Defined benefit scheme settlement loss	**—**	18.0
Business Transformation costs	**25.6**	17.2
Disposal-related costs	**3.1**	—
Other costs	**2.7**	4.7
Tax effect on adjusted items	**(7.6)**	(10.5)
Adjusted net profit attributable to ordinary shareholders	**142.2**	135.6

Adjusted diluted earnings per share is calculated by using the adjusted net profit attributable to ordinary shareholders and dividing it by the weighted average ordinary shares in issue, adjusted to assume conversion of all potentially dilutive ordinary shares (see note 20).

d. Adjusted dividend cover

Dividend cover is calculated as basic earnings per share divided by dividends per share. Adjusted dividend cover is calculated as adjusted basic earnings per share as defined in note 2c above divided by dividends per share.

e. Total shareholder return

Total shareholder return is the movement in the price of an ordinary share plus dividends during the year, divided by the opening share price.

f. Return on capital employed

The return on capital employed ratio is used by management to help ensure that capital is used efficiently.

	2025	2024
Adjusted operating profit	**191.5**	178.4
Capital employed:		
Net assets	**584.4**	598.5
Cash and short-term deposits	**(110.0)**	(150.0)
Interest-bearing loans and borrowings	**44.7**	24.7
Pension deficit net of deferred tax	**1.7**	2.7
Capital employed	**520.8**	475.9
Average capital employed	**498.4**	478.4
Return on capital employed	**38.4%**	37.3%

Average capital employed is defined as the average of the capital employed at the start and end of the relevant year.

g. Working capital as a percentage of revenue

Working capital as a percentage of revenue is monitored as control of working capital is key to achieving our cash generation targets. It is calculated as inventory plus trade receivables, less trade payables, divided by revenue.

h. Organic constant currency (OCC)

OCC results adjust for currency movements and for acquisitions and disposals. The prior year results are translated at the current reporting year's average exchange rates. Results from acquired businesses are not included until owned for more than one year and are then included on an equal perimeter basis. Disposed businesses are excluded entirely.

Revenue and adjusted operating profit are reconciled to OCC results as follows:

	2024	Foreign exchange	2024 at 2025 exchange rates	Acquisitions	Organic constant currency	2025
Revenue	754.4	(15.9)	738.5	11.2	27.6	**777.3**
Adjusted operating profit	178.4	(6.1)	172.3	2.0	17.2	**191.5**

OCC growth rates are calculated as a percentage of the retranslated prior year result.

Notes to the Group financial statements continued

For the year ended 31 December 2025

2. Alternative performance measures continued

i. Cash conversion

Cash conversion is calculated as cash generated from operations as a percentage of adjusted operating profit. It is monitored to illustrate how efficiently adjusted operating profits are converted into cash. Cash generated from operations is calculated in note 26.

	2025	2024
Cash generated from operations (note 26)	**193.0**	212.7
Adjusted operating profit (note 2a)	**191.5**	178.4
Cash conversion	**101%**	119%

j. Free cash flow

Free cash flow is after organic investment and is calculated as 'net cash flows from operating activities', plus 'net cash flows from investing activities' (excluding acquisitions/disposals of businesses), plus 'net cash flows from financing activities' (excluding dividends paid on ordinary shares, the share buyback programme, and proceeds from or repayments of borrowings).

Free cash flow provides an additional view of the available funds of the Group. It is deemed useful to stakeholders as it represents cash flows that could be used for dividends, share buybacks, repayments of borrowings or to fund the Group's strategic initiatives, including any acquisitions.

The reconciliation of net (decrease)/increase in cash and cash equivalents to free cash flow is as follows:

	2025	2024
Net (decrease)/increase in cash and cash equivalents	**(38.0)**	6.4
Adjustments		
Dividends paid on ordinary shares	**66.6**	63.3
Share buyback programme	**60.4**	50.3
Acquisition of business – net of cash acquired	**31.8**	—
Net (proceeds)/repayment of borrowings	**(14.0)**	—
Free cash flow	**106.8**	120.0

3. Operating segments

The three identifiable operating segments where the financial and operating performance is reviewed monthly by the chief operating decision maker are as follows:

- Oil & Gas
- Chemical, Process & Industrial
- Water & Power

The Group's customers are allocated to a segment. Sales to that customer, along with all directly associated costs of that sale, are reported under the segment to which that customer is allocated. Where customers sell into multiple segments, a lead segment is identified. Sales to these customers will generally be allocated to the lead segment unless the sale is of significance and an alternative segment has been identified, in which case it will be reported under the alternative segment.

Costs not directly attributed to a sale are allocated across the three segments. There are some costs which are directly attributable to a segment, but most support costs and facility costs are not directly attributable to a segment and are generally allocated based on split of revenue.

Analysis by operating segment

	Oil & Gas 2025	Chemical, Process & Industrial 2025	Water & Power 2025	Corporate expenses 2025	Group 2025
Revenue from external customers	**351.2**	**223.4**	**202.7**	**—**	**777.3**
Adjusted operating profit*	**97.6**	**58.2**	**58.0**	**(22.3)**	**191.5**
Adjusting items					**(34.4)**
Operating profit					**157.1**
Net finance income					**0.8**
Income tax expense					**(41.0)**
Profit for the year					**116.9**

* Adjusted operating profit is operating profit before adjusting items (see note 2).

Notes to the Group financial statements continued

For the year ended 31 December 2025

3. Operating segments continued

Analysis by operating segment continued

	Oil & Gas 2024	Chemical, Process & Industrial 2024	Water & Power 2024	Corporate expenses 2024	Group 2024
Revenue from external customers	355.5	205.0	193.9	—	754.4
Adjusted operating profit*	92.0	53.0	56.4	(23.0)	178.4
Adjusting items					(42.5)
Operating profit					135.9
Net finance income					4.6
Income tax expense					(35.7)
Profit for the year					104.8

* Adjusted operating profit is operating profit before adjusting items (see note 2).

	Oil & Gas 2025	**Chemical, Process & Industrial 2025**	**Water & Power 2025**	**Group 2025**
Depreciation	**6.9**	**4.6**	**3.8**	**15.3**
Amortisation of development costs	**1.0**	**0.6**	**0.5**	**2.1**

	Oil & Gas 2024	Chemical, Process & Industrial 2024	Water & Power 2024	Group 2024
Depreciation	6.5	3.8	4.0	14.3
Amortisation of development costs	1.3	0.7	0.8	2.8

Balance sheets are reviewed by subsidiary and operating segment balance sheets are not prepared. Therefore, no further analysis of operating segments assets and liabilities is presented.

Geographical analysis

Rotork has a worldwide presence in all three operating segments.

Revenue by end destination	**2025**	2024
UK	**43.1**	54.6
Other EMEA	**263.2**	233.9
Total EMEA	**306.3**	288.5
China	**107.0**	112.5
India	**46.7**	49.2
Other APAC	**99.7**	93.6
Total APAC	**253.4**	255.3
USA	**154.2**	143.5
Other Americas	**63.4**	67.1
Total Americas	**217.6**	210.6
	777.3	754.4

4. Acquisitions

Current year acquisitions

i. Noah

On 12 March 2025, the Group acquired 100% of the share capital of NOAH Actuation Co., Ltd ('Noah'), for a total purchase consideration of £37.6m. Noah is headquartered in Seoul, South Korea and its acquisition expands the Group's electric actuator offering. The Noah acquisition is fully aligned to the Growth+ strategy and to key Target Segments. Initial consideration of £35.6m was paid on completion, with a further deferred consideration of £2.0m recognised, with future payment contingent on certain performance conditions being met.

In the period to 31 December 2025, Noah contributed £11.2m to revenue and £2.0m to adjusted operating profit. The amortisation charge in the nine-month period from the acquired intangible assets was £1.5m. If the acquisition had occurred on 1 January 2025 the business would have contributed £14.3m to revenue, £2.3m to adjusted operating profit and £2.0m to adjusted net profit attributable to ordinary shareholders.

Notes to the Group financial statements continued

For the year ended 31 December 2025

4. Acquisitions continued

Current year acquisitions continued

ii. Acquisitions fair value table

The acquisition had the following effect on the Group's assets and liabilities as at 31 December 2025:

	Fair value
Non-current assets	
Intangible assets	**14.4**
Property, plant and equipment	**10.7**
Current assets	
Inventory	**3.2**
Trade and other receivables	**2.6**
Cash and short-term deposits	**3.8**
Current liabilities	
Trade and other payables	**(3.2)**
Non-current liabilities	
Employee benefits	**(1.0)**
Interest-bearing loans and borrowings	**(8.0)**
Deferred tax liabilities	**(3.3)**
Total net identifiable assets	**19.2**
Goodwill arising on acquisition	**18.4**
Total consideration	**37.6**
Cash consideration	**35.6**
Contingent consideration	**2.0**
Total consideration	**37.6**

The total net cash outflow on current period acquisitions was as follows:

	Fair value
Cash paid	**35.6**
Cash and cash equivalents acquired	**(3.8)**
Total cash outflow	**31.8**

The acquisition fair values shown are now final. Due to their contractual dates, the fair value of receivables (shown above) approximates to the gross contractual amounts receivable. The amount of gross contractual receivables not expected to be recovered is immaterial.

The goodwill arising from this acquisition represents the opportunity to grow through expanding the Group's electric actuator offering and employee know-how. The goodwill has been allocated to each of the CGUs as follows: 48% Chemical, Process & Industrial, 44% Water & Power, and 8% Oil & Gas. The goodwill on acquisition is not deductible for tax purposes.

The intangible assets identified comprise technology, customer relationships and the Noah brand. The intangible assets have been valued by modelling the discounted cash flows attributable to the respective asset. Discount rates between 14% to 15% have been used. Assumptions regarding future cash flows are based on a combination of historic performance data and management's forecasts. The range of potential outcomes based on sensitivities around management's forecasts would not lead to any material differences to the values recognised.

iii. Acquisition costs

Acquisition costs of £1.5m have been expensed in administration expenses in the income statement during the period and disclosed as an adjusting item under 'other costs' in note 5.

Prior year acquisitions

There were no acquisitions in the prior year.

5. Adjusting items

Refer to note 1 for details on the adjustments to profit, including an explanation of 'other adjustments'. The adjustments to profit included in operating profit are as follows:

	2025	2024
Amortisation of acquired intangible assets	**(3.0)**	(2.6)
Defined benefit scheme settlement loss	**—**	(18.0)
Business Transformation costs	**(25.6)**	(17.2)
Disposal-related costs	**(3.1)**	—
Other costs	**(2.7)**	(4.7)
Other adjustments	**(31.4)**	(21.9)
Total adjusting items	**(34.4)**	(42.5)

Defined benefit scheme settlement loss

In August 2024 the UK defined benefit pension scheme transacted a second bulk annuity, covering the benefits of the remaining UK scheme's membership (mainly deferred pensioners). Given all the UK scheme's liabilities are now insured, this second bulk annuity has been accounted for as a settlement under IAS 19 and therefore a loss of £18.0m has been recognised in the income statement in the prior year. Further information can be found in note 27.

Notes to the Group financial statements continued

For the year ended 31 December 2025

5. Adjusting items continued

Business Transformation costs

During the year £25.6m (2024: £17.2m) of costs were incurred on Business Transformation. The multi-year transformation includes the implementation and integration of common systems and processes throughout the Group, including a new cloud-based ERP system. This brings the total expensed under the programme to £87.7m. These costs were expensed as they do not meet the capitalisation criteria under IAS 38. Costs include an allocation of personnel expenses in respect of employees directly involved in the programme.

The Business Transformation programme, including the new ERP system, is expected to continue over the next two years at an estimated further cost of £35m to £40m.

Disposal-related costs

£3.1m (2024: £nil) of costs related to the assets and liabilities held for sale have been recognised in the year. Of this figure, £1.7m relates to estimated costs to sell which are provided for in the liabilities held for sale (note 18). The remaining costs relate to estimated restructuring and redundancy costs on transfer of retained product lines between manufacturing sites which are not included in the liabilities held for sale.

Other costs

£2.7m (2024: £4.7m) of other costs have been incurred, including £1.5m in relation to the Noah acquisition (2024: £nil), £1.0m of costs in respect of the relocation of the Shanghai (China) facility to Changshu (China) (2024: £4.3m), and costs related to the pension buy-in of £0.2m (2024: £0.4m).

Income statement disclosure

All adjustments are included in administrative expenses. The adjustments are taxable or tax deductible in the country in which the expense is incurred.

Cash flow statement disclosure

Other adjustments have a net operating cash outflow of £27.8m (2024: £21.2m) and a net investing cash inflow of £nil (2024: £nil).

6. Other income and expenses

	2025	2024
Gain on disposal of property, plant and equipment	**—**	0.2
Other	**4.3**	1.6
Other income	**4.3**	1.8

	2025	2024
Loss on disposal of property, plant and equipment	**(0.1)**	(0.1)
Other	**(0.5)**	(0.1)
Other expenses	**(0.6)**	(0.2)

Other income includes £3.0m relating to government investment incentives.

7. Personnel expenses

	2025	2024
Wages and salaries (including bonus and incentive plans)	**173.8**	164.3
Social security costs	**25.4**	22.7
Pension costs (note 27)	**8.5**	8.3
Share-based payments (note 28)	**7.8**	6.7
Increase in liability for long term service leave	**0.3**	0.3
	215.8	202.3

	2025	2024
Average monthly number of employees during the year:		
UK	**990**	972
Overseas	**2,568**	2,468
	3,558	3,440

Personnel expenses and the average monthly number of employees during the year includes expenses and employees that are included in Business Transformation costs within Adjusting items (note 5).

In addition to the costs shown above, £nil (2024: £18.0m) has been recognised in the consolidated income statement in relation to the settlement loss on the UK defined benefit pension scheme (note 27).

Notes to the Group financial statements continued

For the year ended 31 December 2025

8. Finance income and expense

Recognised in the consolidated income statement

	2025	2024
Interest income	**1.7**	4.4
Net interest income on pension scheme liabilities (note 27)	**—**	0.2
Foreign exchange gains	**3.6**	2.7
Finance income	**5.3**	7.3

	2025	2024
Interest expense	**(1.2)**	(1.4)
Interest expense on lease liabilities (note 30)	**(0.9)**	(0.8)
Net interest expense on pension scheme liabilities (note 27)	**(0.2)**	—
Foreign exchange losses	**(2.2)**	(0.5)
Finance expense	**(4.5)**	(2.7)

Recognised in the consolidated statement of comprehensive income

	2025	2024
Effective portion of changes in fair value of cash flow hedges	**(1.0)**	0.7
Fair value of cash flow hedges transferred to income statement	**0.7**	(0.8)
Foreign currency translation differences for foreign operations	**(10.5)**	(12.9)
	(10.8)	(13.0)
Recognised in:		
Hedging reserve	**(0.3)**	(0.1)
Translation reserve	**(10.5)**	(12.9)
	(10.8)	(13.0)

9. Profit before tax

Profit before tax is stated after charging/(crediting) the following:

	Notes	2025	2024
Depreciation of property, plant and equipment:			
– Owned assets	i	**10.2**	9.4
– Assets held under lease contracts	i	**5.1**	4.9
Amortisation:			
– Acquired intangible assets	iii	**3.0**	2.6
– Product development costs	iii	**2.1**	1.9
– Software	iii	**1.0**	0.8
Impairment of development cost assets	iii	**—**	0.9
Inventory write downs recognised in the year	ii	**1.9**	6.0
Product research and development expenditure	iii	**8.5**	9.1
Exchange differences realised	iv	**1.4**	(0.9)
Fees payable to the Group's auditor and their associates for:			
– The audit of the Group's annual accounts		**1.5**	1.4
– The audit of the Group's subsidiaries		**0.3**	0.3
Total audit fees		**1.8**	1.7
– Audit related assurance services		**0.1**	0.1
Total non-audit fees		**0.1**	0.1
Total fees		**1.9**	1.8

These costs can be found under the following headings in the consolidated income statement:

i. both within cost of sales and administrative expenses

ii. within cost of sales

iii. within administrative expenses

iv. within finance income and expenses

Notes to the Group financial statements continued

For the year ended 31 December 2025

10. Income tax expense

	2025	2025	2024	2024
Current tax				
UK corporation tax on profits for the year	**3.9**		6.6	
Adjustment in respect of prior years	**(0.7)**		0.5	
		3.2		7.1
Overseas tax on profits for the year	**35.8**		37.5	
Adjustment in respect of prior years	**1.5**		(1.9)	
		37.3		35.6
Total current tax		**40.5**		42.7
Deferred tax				
Origination and reversal of other temporary differences	**2.1**		(6.3)	
Impact of rate change	**—**		(0.1)	
Adjustment in respect of prior years	**(1.6)**		(0.6)	
Total deferred tax		**0.5**		(7.0)
Total tax charge for year		**41.0**		35.7
Profit before tax		**157.9**		140.5
Profit before tax multiplied by the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%)		**39.5**		35.1
Effects of:				
Different tax rates on overseas earnings		**(0.7)**		(0.2)
Irrecoverable withholding tax on dividends		**2.4**		3.9
Permanent differences		**1.6**		0.7
Losses not recognised		**0.5**		0.1
Tax incentives		**(1.5)**		(1.7)
Impact of rate change		**—**		(0.1)
Adjustments to tax charge in respect of prior years		**(0.8)**		(2.1)
Total tax charge for year		**41.0**		35.7
Effective tax rate		**25.9%**		25.4%

	2025	2025	2024	2024
Adjusted profit before tax (note 2b)		**192.3**		183.0
Total tax charge for the year		**41.0**		35.7
Amortisation of acquired intangible assets		**0.5**		0.5
Defined benefit scheme settlement loss		**—**		4.5
Business Transformation costs		**6.2**		4.4
Disposal-related costs		**0.4**		—
Other costs (note 5)		**0.5**		1.1
Adjusted total tax charge for the year		**48.6**		46.2
Adjusted effective tax rate		**25.3%**		25.2%

The effective tax rate for the year is 25.9% (2024: 25.4%). The adjusted effective tax rate is 25.3% (2024: 25.2%) and is lower than the effective tax rate for the year principally because of the tax treatment of expenses included in adjusting items.

The adjusted effective tax rate has increased from 25.2% in 2024 to 25.3% in 2025, principally due to a small increase in expenditure which is non-deductible for tax purposes. The Group expects its adjusted effective tax rate to continue to move in line with the trends in corporate tax rates in the jurisdictions where Rotork operates. The adjusted effective tax rate will continue to be higher than the standard UK rate due to higher rates of tax in China, the US, Germany, Italy and India.

With effect from 1 January 2024, the UK has introduced legislation to enact the OECD's Pillar Two global minimum tax rules, together with a UK qualified domestic minimum top-up tax. Under the legislation Rotork plc is required to pay to the UK tax authorities top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15%.

The Pillar Two tax charge borne by Rotork plc does not have a material impact on its current tax expense.

The Group will continue to assess the impact of the Pillar Two income taxes legislation on its future financial performance. The Group has applied the mandatory temporary IAS 12 exception from the accounting requirements for deferred taxes in IAS 12, such that the Group will not recognise or disclose information on deferred tax assets and liabilities related to Pillar Two income taxes.

There is an unrecognised deferred tax liability for temporary differences associated with investments in subsidiaries. Rotork plc controls the dividend policies of its subsidiaries and the timing of the reversal of the temporary differences. The value of temporary differences associated with unremitted earnings of subsidiaries for which deferred tax has not been recognised is £406.6m (2024: £357.2m).

Notes to the Group financial statements continued

For the year ended 31 December 2025

11. Goodwill

	2025	2024
Cost		
At 1 January	**246.4**	253.4
Acquisition through business combinations (note 4)	**18.4**	—
Transferred to assets held for sale (note 18)	**(10.9)**	—
Exchange adjustments	**(3.0)**	(7.0)
At 31 December	**250.9**	246.4
Provision for impairment		
At 1 January	**21.6**	21.7
Exchange adjustments	**—**	(0.1)
At 31 December	**21.6**	21.6
Net book value	**229.3**	224.8

Cash generating units

Goodwill acquired through business combinations has been allocated to groups of cash generating units (CGUs) that are expected to benefit from that business combination. For the Group, these are considered to be the Oil & Gas, Chemical, Process & Industrial and Water & Power divisions. On this basis, the value in use calculations exceeded the CGU carrying values after applying sensitivity analysis.

Cash generating unit	Discount rate 2025	Discount rate 2024	2025	2024
Oil & Gas	**11.3%**	11.5%	**78.8**	88.9
Chemical, Process & Industrial	**11.5%**	11.6%	**125.9**	119.1
Water & Power	**11.5%**	11.6%	**24.6**	16.8
Total Group			**229.3**	224.8

Impairment testing

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The annual impairment test was performed at 31 December 2025. The annual impairment testing considers a range of scenarios which includes costs and risks associated with sustainability.

The key assumptions used in the annual impairment review which are common to all CGUs are set out below.

i) Discount rates

The discount rates for the significant CGUs presented above are pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU for which the future cash flows have not been adjusted. Discount rates are based on estimations that market participants operating in similar sectors to Rotork would make, using the Group's economic profile as a starting point. For each CGU, the risk premium was adjusted on a weighted average basis to reflect the region in which the CGU carries out the majority of its business, applied a premium based on the size of the CGU and applied a market participant tax rate in the region the CGU operates. In calculating the discount rates, consideration was given to exclude risks that were not relevant or which had already been reflected in the cash flows.

ii) Growth rates

Value in use calculations are used to determine the recoverable amount of goodwill allocated to each of the CGUs. These calculations use cash flow projections from management forecasts which are based on the budget and the Group's three-year strategic plan. The three-year plan is a bottom up process which takes place as part of the annual budget process. Once the Group annual budget for the next financial year is finalised, years two and three of the three-year plan are prepared by each reporting entity's management reflecting their view of the local market, known projects and experience of past performance and expectations of future changes in the market. The Group annual budget and the three-year plan are reviewed and approved by the Board each year. The compound annual revenue growth forecast for the Group during years one to three, used within the impairment models, reflects the growth rates within the budget and three-year plans. Years four and five of the forecast used within the impairment model are based on Group management judgement and forecasts taking account for future expected changes in the market. From year six onwards, a growth rate of 2% (2024: 2%) is used to drive a terminal value.

Sensitivity analysis

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the CGUs to which goodwill is allocated.

There are no reasonably possible changes in assumptions that would lead to an impairment.

Notes to the Group financial statements continued

For the year ended 31 December 2025

12. Intangible assets

	Software	Product development costs	Acquired intangible assets: Brands	Acquired intangible assets: Customer relationships	Acquired intangible assets: Other	Total
Cost						
31 December 2023	13.8	29.5	51.2	117.8	29.2	241.5
Additions	2.7	4.3	—	—	—	7.0
Exchange adjustments	—	—	(1.0)	(3.0)	(1.1)	(5.1)
31 December 2024	16.5	33.8	50.2	114.8	28.1	243.4
Additions	**—**	**5.2**	**2.8**	**1.7**	**9.9**	**19.6**
Exchange adjustments	**—**	**—**	**(0.6)**	**(1.6)**	**(0.6)**	**(2.8)**
31 December 2025	**16.5**	**39.0**	**52.4**	**114.9**	**37.4**	**260.2**
Amortisation						
31 December 2023	0.7	21.5	50.1	116.0	22.2	210.5
Charge for the year	0.8	1.9	1.1	0.2	1.3	5.3
Impairment	—	0.9	—	—	—	0.9
Exchange adjustments	—	—	(1.0)	(3.0)	(0.7)	(4.7)
31 December 2024	1.5	24.3	50.2	113.2	22.8	212.0
Charge for the year	**1.0**	**2.1**	**0.3**	**0.4**	**2.3**	**6.1**
Exchange adjustments	**—**	**—**	**(0.6)**	**(1.5)**	**(0.2)**	**(2.3)**
31 December 2025	**2.5**	**26.4**	**49.9**	**112.1**	**24.9**	**215.8**
Net book value						
31 December 2024	15.0	9.5	—	1.6	5.3	31.4
31 December 2025	**14.0**	**12.6**	**2.5**	**2.8**	**12.5**	**44.4**

Other acquired intangible assets represent order books, intellectual property, non-compete agreements and unpatented technology.

The amortisation charge and impairment are recognised within administrative expenses in the income statement.

Included in the net book value of software are assets in the course of development, which are not amortised, with a cost of £2.4m (2024: £2.4m).

13. Property, plant and equipment

	Land and buildings	Plant and equipment	Total
Cost			
31 December 2023	83.4	123.6	207.0
Additions	15.5	16.3	31.8
Disposals	(2.8)	(3.7)	(6.5)
Transfers	(2.0)	2.0	—
Exchange adjustments	(4.5)	(6.9)	(11.4)
31 December 2024	89.6	131.3	220.9
Acquisition through business combinations	**10.4**	**0.3**	**10.7**
Additions	**1.5**	**10.6**	**12.1**
Disposals	**(2.7)**	**(14.2)**	**(16.9)**
Transferred to assets held for sale (note 18)	**(5.6)**	**(7.8)**	**(13.4)**
Exchange adjustments	**(1.3)**	**(0.2)**	**(1.5)**
31 December 2025	**91.9**	**120.0**	**211.9**
Depreciation			
31 December 2023	33.1	99.5	132.6
Charge for the year	5.0	9.3	14.3
Disposals	(2.8)	(3.6)	(6.4)
Exchange adjustments	(3.1)	(6.8)	(9.9)
31 December 2024	32.2	98.4	130.6
Charge for the year	**5.5**	**9.8**	**15.3**
Disposals	**(1.0)**	**(13.8)**	**(14.8)**
Transferred to assets held for sale (note 18)	**(3.0)**	**(6.8)**	**(9.8)**
Exchange adjustments	**(0.5)**	**(0.2)**	**(0.7)**
31 December 2025	**33.2**	**87.4**	**120.6**
Net book value			
31 December 2024	57.4	32.9	90.3
31 December 2025	**58.7**	**32.6**	**91.3**

Notes to the Group financial statements continued

For the year ended 31 December 2025

13. Property, plant and equipment continued

The net book value of land and buildings can be analysed between:

	2025	2024
Land	**5.6**	5.5
Buildings	**53.1**	51.9
Net book value at 31 December	**58.7**	57.4

It is the Group's policy to test assets for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

There are no assets in the course of construction included in the net book value of plant and equipment (2024: £nil).

Included in the net book value of land and buildings and plant and equipment are leased assets (see note 30).

14. Deferred tax assets and liabilities

	Assets 2025	Liabilities 2025	Net 2025	Assets 2024	Liabilities 2024	Net 2024
Property, plant and equipment	**6.0**	**(1.6)**	**4.4**	3.9	(1.8)	2.1
Intangible assets	**6.4**	**(10.3)**	**(3.9)**	5.9	(5.4)	0.5
Employee benefits	**5.5**	**(0.1)**	**5.4**	5.7	(0.1)	5.6
Inventory	**7.1**	**—**	**7.1**	6.8	(0.1)	6.7
Tax losses	**0.3**	**—**	**0.3**	1.7	—	1.7
Other items	**3.8**	**(2.6)**	**1.2**	3.3	(1.8)	1.5
Net tax assets/(liabilities)	**29.1**	**(14.6)**	**14.5**	27.3	(9.2)	18.1
Set off of tax	**(4.9)**	**4.9**	**—**	(5.2)	5.2	—
	24.2	**(9.7)**	**14.5**	22.1	(4.0)	18.1

Movements in the net deferred tax balance during the year are as follows:

	2025	2024
Balance at 1 January	**18.1**	11.6
Acquired as part of business combinations	**(3.3)**	—
(Charged)/credited to the income statement	**(0.5)**	6.9
Impact of rate change	**—**	0.1
Movement in assets held for sale	**0.3**	—
Charged directly to equity in respect of pension schemes	**(0.4)**	(0.3)
Credited directly to hedging reserves in respect of cash flow hedges	**0.1**	—
Exchange differences	**0.2**	(0.2)
Balance at 31 December	**14.5**	18.1

A deferred tax asset of £24.2m (2024: £22.1m) has been recognised at 31 December 2025. The directors are of the opinion, based on recent and forecast trading, that the level of profits in the current and future years make it more likely than not that these assets will be recovered.

Deferred tax assets have not been recognised on the temporary differences in respect of tax losses of £9.1m (2024: £7.6m) due to the degree of uncertainty over the utilisation of the underlying tax losses. £0.5m of these losses expire within five years with a further £1.0m expiring within ten years. There is no expiry date associated with the remaining tax losses of £7.6m which are UK capital losses.

15. Inventories

	2025	2024
Raw materials and consumables	**67.2**	64.2
Work in progress	**3.9**	3.1
Finished goods	**18.5**	16.1
	89.6	83.4

Included in cost of sales was £269.5m (2024: £265.1m) in respect of inventories consumed in the year.

Notes to the Group financial statements continued

For the year ended 31 December 2025

16. Trade and other receivables

	2025	2024
Current assets		
Trade receivables	**182.3**	153.5
Allowance for expected credit loss	**(3.8)**	(4.0)
Trade receivables – net	**178.5**	149.5
Current tax	**2.6**	4.2
Other non-trade receivables	**6.9**	6.4
Other taxes and social security	**10.2**	8.2
Prepayments	**7.2**	9.2
Other receivables	**24.3**	23.8

17. Cash and short-term deposits

	2025	2024
Bank balances	**94.9**	70.3
Short-term deposits	**15.1**	79.7
Cash and short-term deposits	**110.0**	150.0

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise entirely cash and short-term deposits.

18. Disposal group held for sale

In the second half of 2025, the Group commenced a sale process for two non-core subsidiaries and, in line with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the Group has classified the assets and liabilities of both subsidiaries as held for sale as at 31 December 2025. On 4 March 2026, the Group completed the sale of the disposal group, as disclosed in note 34.

The disposal group does not represent a separate major line of business or geographical area of operations and therefore does not meet the criteria under IFRS 5 to be classified as discontinued operations.

In the consolidated balance sheet, the assets and liabilities of the disposal group, in the current year only, are reported as current assets/liabilities held for sale. The net assets of £12.2m are measured at the lower of their carrying amount and fair value less costs to sell, with no impairment recognised in relation to goodwill.

When the sale of the disposal group occurs, a gain or loss will arise. At the time of disposal, the foreign currency translation reserve will be recycled to the consolidated income statement and included in the gain or loss on disposal.

The following table details the assets and liabilities classified as held for sale in the consolidated balance sheet:

	2025
Assets	
Goodwill	**10.9**
Property, plant and equipment	**3.6**
Deferred tax assets	**0.1**
Inventories	**1.7**
Trade receivables	**1.8**
Current tax	**0.1**
Other receivables	**0.4**
Assets held for sale	**18.6**
Liabilities	
Trade payables	**2.2**
Employee benefits	**0.7**
Current tax	**1.0**
Other payables	**2.1**
Deferred tax liabilities	**0.4**
Liabilities held for sale	**6.4**
Net assets directly associated with disposal group	**12.2**

Estimated costs to sell of £1.7m have been expensed to the consolidated income statement in relation to the disposal group as disclosed in note 5.

19. Capital and reserves

	0.5p Ordinary shares issued and fully paid up 2025	£1 Non-redeemable preference shares 2025	0.5p Ordinary shares issued and fully paid up 2024	£1 Non-redeemable preference shares 2024
At 1 January	**4.2**	**—**	4.3	—
Cancelled following share buyback programme	**(0.1)**	**—**	(0.1)	—
At 31 December	**4.1**	**—**	4.2	—
Number of shares (million)	**828.8**		846.4	

The ordinary shareholders are entitled to receive dividends as declared and are entitled to vote at meetings of the Company.

Notes to the Group financial statements continued

For the year ended 31 December 2025

19. Capital and reserves continued

Share issue

The Group received proceeds of £1.5m (2024: £0.9m) in respect of the 770,000 (2024: 321,000) ordinary shares issued during the year: £0.0m (2024: £0.0m) was credited to share capital and £1.5m (2024: £0.9m) to share premium.

Own shares held

Within the retained earnings reserve are own shares held in Rotork's Employee Benefit Trust. The Group acquired 646,000 of its own shares during the year (2024: 3,129,000). The total amount paid to acquire the shares was £2.2m (2024: £10.3m), and this has been deducted from shareholders' equity. During the year, 733,000 (2024: 973,000) ordinary shares were released to satisfy share plan awards. The investment in own shares held is £12.0m (2024: £12.3m) and represents 3,635,000 (2024: 3,722,000) ordinary shares of the Company held in trust for the benefit of directors and employees for future payments under the Share Incentive Plan, Global Employee Share Plan and Long Term Incentive Plan. The dividends on these shares have been waived.

Preference shares

The preference shareholders (see note 21) take priority over the ordinary shareholders when there is a distribution upon winding up the Company or on a reduction of equity involving a return of capital. The holders of preference shares are entitled to vote at a general meeting of the Company if a preference dividend is in arrears for six months or the business of the meeting includes the consideration of a resolution for winding up the Company or the alteration of the preference shareholders' rights. The number of non-redeemable preference shares outstanding are 40,073 (2024: 40,073).

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

Capital redemption reserve

The capital redemption reserve arises when the Company redeems shares wholly out of distributable profits.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments that are determined to be an effective hedge.

Dividends

The following dividends were paid in the year per qualifying ordinary share:

	Payment date 2025	2025	2024
5.00p final dividend for 2024 (final dividend for 2023: 4.65p)	**3 June**	**42.1**	39.9
2.95p interim dividend for 2025 (interim dividend for 2024: 2.75p)	**22 September**	**24.5**	23.4
		66.6	63.3

After the balance sheet date, the following dividends per qualifying ordinary share were proposed by the directors. The dividends have not been provided for.

	2025	2024
Final proposed dividend per qualifying ordinary share		
5.35p	**44.1**	—
5.00p	**—**	42.1

20. Earnings per share

Basic earnings per share

Earnings per share is calculated for both the current and previous years using the profit attributable to the ordinary shareholders for the year. The earnings per share calculation is based on 835.8m shares (2024: 853.6m shares) being the weighted average number of ordinary shares in issue (net of own ordinary shares held) for the year.

	2025	2024
Net profit attributable to ordinary shareholders	**115.4**	103.6
Weighted average number of ordinary shares		
Issued ordinary shares net of own shares held at 1 January	**842.7**	859.6
Effect of own shares held	**0.4**	0.1
Effect of share buyback programme	**(7.4)**	(6.2)
Effect of shares issued under Sharesave plans	**0.1**	0.1
Weighted average number of ordinary shares during the year	**835.8**	853.6
Basic earnings per share	**13.8p**	12.1p

Notes to the Group financial statements continued

For the year ended 31 December 2025

20. Earnings per share continued

Adjusted basic earnings per share

Adjusted basic earnings per share is calculated for both the current and previous years using the profit attributable to the ordinary shareholders for the year after adding back the after-tax impact of the adjustments. The reconciliation showing how adjusted net profit attributable to ordinary shareholders is derived is shown in note 2.

	2025	2024
Adjusted net profit attributable to ordinary shareholders	**142.2**	135.6
Weighted average number of ordinary shares during the year	**835.8**	853.6
Adjusted basic earnings per share	**17.0p**	15.9p

Diluted earnings per share

Diluted earnings per share is based on the profit for the year attributable to the ordinary shareholders and 839.5m shares (2024: 857.0m shares). The number of shares is equal to the weighted average number of ordinary shares in issue (net of own ordinary shares held) adjusted to assume conversion of all potentially dilutive ordinary shares. The Company has two categories of potentially dilutive ordinary shares: those share options granted to employees under the Sharesave plan where the exercise price is less than the average market price of the Company's ordinary shares during the year and contingently issuable shares awarded under the Long Term Incentive Plan (LTIP).

	2025	2024
Net profit attributable to ordinary shareholders	**115.4**	103.6
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares for the year	**835.8**	853.6
Effect of Sharesave options	**0.8**	0.8
Effect of LTIP share awards	**2.9**	2.6
Weighted average number of ordinary shares (diluted) during the year	**839.5**	857.0
Diluted earnings per share	**13.7p**	12.1p

Adjusted diluted earnings per share

	2025	2024
Adjusted net profit attributable to ordinary shareholders	**142.2**	135.6
Weighted average number of ordinary shares (diluted) during the year	**839.5**	857.0
Adjusted diluted earnings per share	**16.9p**	15.8p

21. Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate, liquidity and currency risks, see note 29.

	Notes	2025	2024
Non-current liabilities			
Preference shares classified as debt		**—**	—
Bank loans		**22.0**	—
Lease liabilities	30	**18.1**	20.4
		40.1	20.4
Current liabilities			
Lease liabilities	30	**4.6**	4.3
		4.6	4.3
Total interest-bearing loans and borrowings		**44.7**	24.7

Terms and debt repayment schedule

The terms and conditions of outstanding bank loans and preference shares were as follows:

	Currency	Interest basis	Weighted average interest rate	Year of maturity	2025	2024
Non-redeemable preference shares	Sterling		9.5%	—	**—**	—
Sterling floating-rate revolving credit facility	Sterling	SONIA	4.5%	2029	**22.0**	—
					22.0	—

The weighted average interest rate on the revolving credit facility includes an applicable margin over and above the interest basis. The revolving credit facility expires in 2029 and contains a ratio of 3.5:1 consolidated net debt to consolidated EBITDA covenant. Information on leases and the lease repayment profile is shown in note 30.

Notes to the Group financial statements continued

For the year ended 31 December 2025

22. Employee benefits

	2025	2024
Recognised liability for defined benefit obligations (note 27)	**2.3**	3.6
Other pension scheme liabilities	**0.2**	0.2
Employee bonuses	**26.3**	24.8
Employee indemnity provision	**1.2**	1.9
Other employee benefits	**8.8**	6.3
	38.8	36.8
Non-current	**7.5**	7.7
Current	**31.3**	29.1
	38.8	36.8

Defined benefit pension scheme disclosures are detailed in note 27.

23. Provisions

	Warranty provision	Other provisions	Total
Balance at 1 January 2025	**4.5**	**1.7**	**6.2**
Charge to the income statement	**0.3**	**—**	**0.3**
Provisions utilised during the year	**(0.5)**	**(0.2)**	**(0.7)**
Balance at 31 December 2025	**4.3**	**1.5**	**5.8**
Maturity at 31 December 2025			
Non-current	**0.4**	**—**	**0.4**
Current	**3.9**	**1.5**	**5.4**
	4.3	**1.5**	**5.8**
Maturity at 31 December 2024			
Non-current	1.4	—	1.4
Current	3.1	1.7	4.8
	4.5	1.7	6.2

The warranty provision is based on estimates made from historical warranty data associated with similar products and services. The provision relates mainly to products sold during the last 12 months and the typical warranty period is 18 months.

The Other provisions are expected to be utilised within the next 12 months.

24. Trade and other payables

	2025	2024
Current liabilities		
Trade payables	**60.7**	43.8
Current tax	**14.3**	16.0
Other taxes and social security	**10.6**	8.8
Contingent consideration payable	**0.3**	—
Contract liabilities	**6.1**	7.7
Other non-trade payables and accrued expenses	**29.8**	33.5
Other payables	**46.8**	50.0
Non-current liabilities		
Contingent consideration payable	**1.7**	—
Other payables	**1.7**	—

Contract liabilities are recognised as amounts received from customers in advance of performance under contract; these amounts are then recognised as revenue as and when the Group performs under the contract. Generally, there is no significant time delay between receipt from customers and performance under contract and so these liabilities remain current.

25. Derivative financial instruments

	Assets 2025	Liabilities 2025	Assets 2024	Liabilities 2024
Forward foreign exchange contracts – cash flow hedges	**0.7**	**0.3**	1.0	0.3
Foreign exchange swaps – cash flow hedges	**0.3**	**0.2**	—	0.2
Total	**1.0**	**0.5**	1.0	0.5
Less non-current portion:				
Forward foreign exchange contracts – cash flow hedges	**—**	**—**	0.1	0.1
Current portion	**1.0**	**0.5**	0.9	0.4

The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability, if the maturity of the hedged item is less than 12 months.

There was no ineffectiveness to be recorded from the use of foreign exchange contracts.

Notes to the Group financial statements continued

For the year ended 31 December 2025

25. Derivative financial instruments continued

The hedged forecast transactions denominated in foreign currency are expected to occur at various dates. Gains and losses in respect of these derivatives recognised in the hedging reserve in equity at 31 December 2025 are recognised in the income statement in the period or periods during which the hedged forecast transaction affects the income statement.

26. Cash generated from operations

	Note	2025	2024
Profit for the year		**116.9**	104.8
Income tax expense	10	**41.0**	35.7
Finance income	8	**(5.3)**	(7.3)
Finance expense	8	**4.5**	2.7
Operating profit		**157.1**	135.9
Amortisation of acquired intangible assets		**3.0**	2.6
Defined benefit scheme settlement loss	5	**—**	18.0
Other adjustments	5	**31.4**	21.9
Depreciation	13	**15.3**	14.3
Amortisation and impairment of development costs	12	**3.1**	3.6
Equity settled share-based payments	28	**7.8**	6.7
Loss/(profit) on sale of property, plant and equipment		**0.1**	(0.1)
(Decrease)/increase in provisions		**(0.3)**	0.9
Cash generated from operations before working capital cash flows		**217.5**	203.8
Increase in inventories		**(6.4)**	(1.4)
Increase in trade and other receivables		**(31.8)**	(1.1)
Increase in trade and other payables		**12.1**	12.0
Increase/(decrease) in employee benefits		**1.6**	(0.6)
Cash generated from operations		**193.0**	212.7

Analysis of changes in net cash and changes in liabilities arising from financing activities:

	31 December 2024	Cash flow	Net acquired debt/cash	Net lease additions/ disposals	Exchange movement	31 December 2025
Cash and short-term deposits	150.0	(41.8)	3.8	—	(2.0)	**110.0**
Cash and cash equivalents	150.0	(41.8)	3.8	—	(2.0)	**110.0**
Bank loans	—	(14.0)	(8.0)	—	—	**(22.0)**
Lease liabilities	(24.7)	4.8	—	(2.8)	—	**(22.7)**
Net cash/(debt)	125.3	(51.0)	(4.2)	(2.8)	(2.0)	**65.3**

27. Pension schemes

i) Defined benefit pension schemes

The Group operates two defined benefit pension arrangements – the Rotork Pension and Life Assurance Scheme (UK Scheme) and the Rotork Controls Inc. Pension Plan (US Pension Plan). On retirement, leaving service or death, the Schemes provide benefits based on final salary and length of service. Whether measured by assets or liabilities, the UK Scheme is more than 85% of the overall value of the two defined benefit schemes.

The UK Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process, the Company must agree with the trustees of the Scheme the contributions to be paid to address any shortfall against the Statutory Funding Objective.

The UK Scheme is managed by a sole professional independent trustee, Zedra. The Trustee has responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustee delegates some of these functions to its professional advisers where appropriate. The UK Scheme was closed to new entrants in 2003 and was closed to future accrual from 1 April 2018.

In August 2024, the UK Scheme transacted a second bulk annuity with Aviva (the first had taken place in June 2023), covering the benefits of the remainder of the UK Scheme's membership (mainly deferred pensioners). With the exception of GMP equalisation, which has still to be implemented and has therefore not been insured yet, and subject to any issues that emerge from the ongoing data verification work for the two bulk annuities, all the liabilities of the UK Scheme have now been insured with Aviva. However, 5% of the premium due for the second bulk annuity was deferred and can remain so until the data verification work has been completed – this amount (which was £3.1m as at 31 December 2025) has been included as a liability of the UK Scheme at 31 December 2025.

Notes to the Group financial statements continued

For the year ended 31 December 2025

27. Pension schemes continued

i) Defined benefit pension schemes continued

This second bulk annuity was accounted for as a settlement under IAS 19 in 2024. The settlement loss had two components. The main component resulted from the £17.5m difference between the premium paid by the UK Scheme and the value of the insured liabilities measured on an IAS 19 basis. In addition, as part of the second bulk annuity negotiations, it was established that Aviva were unable to administer one aspect of the UK Scheme's method for revaluing deferred members' benefits. To enable the bulk annuity to transact, a slightly improved methodology for deferred revaluation was agreed. This meant there was also a past service cost component, equal to £0.5m. The overall settlement loss was therefore £18.0m.

The US Pension Plan is subject to the ERISA funding requirements. A valuation of the Plan is carried out annually to ensure the Funding Objective is met under ERISA by contributing at least the Minimum Required Contribution. As part of this process the Company must contribute to the Plan enough contributions to ensure at least the Minimum Contribution is deposited in the Trust to pay for the accrual of benefits. The US Pension Plan, which was closed to new entrants in 2009, was closed to future accrual on 31 December 2018.

In the context of the second bulk annuity, the UK Scheme's advisers made an updated estimate of the eventual impact of GMP equalisation on the two buy-in contracts and the corresponding IAS 19 liability impact has been allowed for within the 2024 and 2025 year-end valuations. The precise impact of Guaranteed Minimum Pension (GMP) equalisation is not yet clear.

In 2024, the ongoing data verification work for the first buy-in led the UK Scheme's advisers to estimate that there may be a small additional premium due as part of the eventual true-up. This has been reflected at the 2024 and 2025 year ends. There have been no further updates on the results on the data verification work for either buy-in during 2025.

In June 2023, the High Court handed down a decision in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. On 2 September 2025, the Government published draft amendments to the Pensions Scheme Bill which would give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. The draft legislation will need to be agreed by both Houses of Parliament before it passes into law. Based on the Directors' previous assessment that no further investigation was required, they believe that the draft legislation confirms their belief that no additional liabilities will arise from the Virgin Media case and therefore the defined benefit obligation has not been adjusted.

Movements in the present value of defined benefit obligations

	2025	2024
Liabilities at 1 January	**130.1**	146.2
Interest cost	**6.9**	6.6
Benefits paid	**(7.3)**	(7.8)
Actuarial gain	**(1.4)**	(15.8)
Past service cost	**—**	0.5
Currency (gain)/loss	**(1.3)**	0.4
Liabilities at 31 December	**127.0**	130.1

Movements in fair value of plan assets

	2025	2024
Assets at 1 January	**126.5**	155.4
Interest income on plan assets	**6.7**	6.9
Employer contributions	**0.3**	4.1
Benefits paid	**(7.3)**	(7.8)
Return on plan assets, excluding interest income on plan assets	**(0.3)**	(14.8)
Settlement loss on assets	**—**	(17.5)
Currency (loss)/gain	**(1.2)**	0.2
Assets at 31 December	**124.7**	126.5

Expense recognised in the income statement

	2025	2024
Net interest income	**0.2**	(0.2)
Past service cost	**—**	0.5
Settlement loss on assets	**—**	17.5
	0.2	17.8

This expense is recognised in the following line items in the income statement:

	2025	2024
Net finance expense	**0.2**	(0.2)
Administrative expenses	**—**	18.0
	0.2	17.8

Notes to the Group financial statements continued

For the year ended 31 December 2025

27. Pension schemes continued

i) Defined benefit pension schemes continued

Remeasurements over the year

	2025	2024
Experience adjustments on plan assets	**(0.3)**	(14.9)
Experience adjustments on plan liabilities	**(0.9)**	(0.3)
Actuarial gain from changes to financial assumptions	**3.0**	15.9
Actuarial (loss)/gain from changes to demographic assumptions	**(0.7)**	0.2
Experience adjustments on currency	**0.1**	—
	1.2	0.9

Reconciliation of net defined benefit obligation

	2025	2024
Net defined benefit obligation at the beginning of the year	**3.6**	(9.1)
Net financing expense	**0.2**	(0.2)
Past service cost	**—**	0.5
Settlement loss on assets	**—**	17.4
Remeasurements over the year	**(1.2)**	(0.9)
Employer contributions	**(0.3)**	(4.1)
	2.3	3.6

Liability for defined benefit obligations

The principal actuarial assumptions at 31 December 2025 (expressed as weighted averages):

	UK scheme (% per annum)		US scheme (% per annum)		Weighted average (% per annum)	
	2025	2024	2025	2024	2025	2024
Discount rate	**5.6**	5.5	**5.3**	5.4	**5.6**	5.5
Rate of increase in salaries	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a
Rate of increase in pensions (post May 2000)	**2.9**	3.0	**—**	—	**2.5**	2.6
Rate of increase in pensions (pre May 2000)	**4.6**	4.6	**—**	—	**4.0**	4.0
UK rate of inflation	**3.0**	3.1	**n/a**	n/a	**3.0**	3.1

In the UK, the Retail Price Index is used as the rate of inflation as it is a requirement of the UK Scheme's rules.

The split of the Schemes' assets were as follows:

	Fair value 2025	Fair value 2024
Property	**0.3**	0.4
LDI/absolute return bonds/cash	**1.6**	1.4
Value of Aviva bulk annuities	**109.9**	111.5
Balancing premium for second bulk annuity	**(3.1)**	(3.0)
US deposit administration contract	**16.0**	16.2
Total	**124.7**	126.5
Actual return on Schemes' assets (excluding settlement loss)	**6.4**	(8.0)

The UK Scheme is now primarily invested in the two Aviva bulk annuities, which have insured all its liabilities (except for the impact of GMP equalisation and subject to the results of the data verification work).

The only change made to the UK Scheme's demographic assumptions at the 2025 year end is that future improvements in mortality are now based on the CMI_2024 core projection model with no overlay and a half-life parameter of 1 (2024: CMI_2023 core projection).

By way of example, the respective mortality tables indicate the following life expectancy for UK Scheme members:

	2025 Life expectancy at age 65		2024 Life expectancy at age 65	
Current age	Male	Female	Male	Female
65	**23.1**	**23.6**	22.7	23.5
45	**24.4**	**25.0**	24.0	24.9

Notes to the Group financial statements continued

For the year ended 31 December 2025

27. Pension schemes continued

i) Defined benefit pension schemes continued

Sensitivity analysis on the Schemes' liabilities

Adjustments to assumptions	Approximate effect on liabilities 2025	2024
Discount rate		
Plus 1.0% p.a.	**(15.7)**	(16.0)
Minus 1.0% p.a.	**18.1**	18.6
Inflation		
Plus 0.5% p.a.	**5.5**	5.6
Minus 0.5% p.a.	**(5.3)**	(5.3)
Life expectancy		
Increase of one year in assumed life expectancy	**3.9**	5.0

The sensitivities disclosed are indicative of how reasonably possible changes would impact the liabilities recognised. Further movements in assumptions would result in higher variances accordingly. They are approximate and only show the likely effect of an assumption being adjusted whilst all other assumptions remain the same. They focus solely on the liability impact and do not reflect likely matching movements in the assets.

The sensitivity analysis was determined using the same method as per the calculation of liabilities for the balance sheet disclosures, but using assumptions adjusted as detailed above.

None of the plan assets have quoted prices in an active market.

Effect of the Schemes on the Group's future cash flows

The Group is required to agree a Schedule of Contributions with the Trustee of the UK Scheme following a valuation which must be carried out at least once every three years. Following the valuation of the UK Scheme as at 31 March 2022, the Group estimates that cash contributions to the Group's defined benefit pension schemes during 2026 will be £nil (2025: £nil), except that there will be a need for a further contribution when the balancing payment for the second bulk annuity becomes due. No new funding valuations have been undertaken due to the pension buy-in in 2024 and work currently ongoing on buy-out.

The weighted average duration of the defined benefit obligation for the UK Scheme is approximately 15 years.

ii) Other pension plans

The Group makes a contribution to a number of defined contribution plans around the world to provide benefits for employees upon retirement. Total expense relating to these plans in the year was £8.5m (2024: £8.3m).

28. Share-based payments

The Group awards shares under the LTIP, the Save As You Earn scheme (Sharesave plan), the Global Employee Share Plan (GESP) and the Share Incentive Plan (SIP). The equity settled share-based payment expense included in the income statement for each of the plans can be analysed as follows:

	2025	2024
Sharesave plan (a)	**0.5**	0.6
Long Term Incentive Plan (b)	**4.2**	3.2
GESP/SIP profit-linked share scheme (c)	**3.1**	2.9
Total expense recognised as employee costs (note 7)	**7.8**	6.7

Volatility assumptions for equity-based payments

The expected volatility of all equity compensation benefits is based on the historic volatility (calculated based on the weighted average remaining life of each benefit), adjusted for any expected changes to future volatility due to publicly available information.

a) Sharesave plan

UK employees are invited to join the Sharesave plan when an offer is made each year. All the offers to date were made at a 20% discount to market price at the time. There are no performance criteria for the Sharesave plan. Employees are given the option of joining either the 3-year or the 5-year scheme.

	3-year scheme		5-year scheme	
	2025	2024	2025	2024
Grant date	**24 September**	4 October	**24 September**	4 October
Share price at grant date	**336p**	330p	**336p**	330p
Exercise price	**273p**	254p	**273p**	254p
Shares granted under scheme	**542,682**	422,120	**97,425**	170,027
Vesting period	**3 years**	3 years	**5 years**	5 years
Expected volatility	**25.10%**	29.40%	**25.10%**	29.40%
Risk-free rate	**3.85%**	3.88%	**4.07%**	3.87%
Expected dividends expressed as a dividend yield	**2.36%**	2.24%	**2.36%**	2.24%
Probability of ceasing employment before vesting	**2.00%**	2.00%	**2.00%**	2.00%
Fair value	**92p**	105p	**104p**	117p

Notes to the Group financial statements continued

For the year ended 31 December 2025

28. Share-based payments continued

Volatility assumptions for equity-based payments continued

a) Sharesave plan continued

Movements in the number of share options outstanding and their weighted average prices are as follows:

	2025		2024	
	Average option price per share	Options	Average option price per share	Options
At 1 January	**223p**	**2,524,106**	221p	2,460,589
Granted	**273p**	**640,107**	254p	592,147
Exercised	**239p**	**(769,963)**	261p	(321,324)
Forfeited	**207p**	**(236,838)**	226p	(207,306)
At 31 December	**241p**	**2,157,412**	223p	2,524,106

Of the 2,157,412 outstanding options (2024: 2,524,106), 180,749 are exercisable (2024: 85,540).

The Group received proceeds of £1.5m in respect of the 769,963 options exercised during the year: £0.0m was credited to share capital and £1.5m to share premium. The weighted average share price at date of exercise was 335p (2024: 326p).

The weighted average remaining life of 1,364,574 (2024: 1,680,977) awards outstanding under the 3-year plan is 1.9 years. The weighted average remaining life of 792,838 (2024: 843,129) awards outstanding under the 5-year plan is 2.7 years.

b) Long Term Incentive Plan

The LTIP is a performance share plan under which shares are conditionally allocated to selected members of senior management at the discretion of the Remuneration Committee on an annual basis. Following shareholder approval of the LTIP at the Company's AGM on 18 May 2000, awards of shares are made to executive directors and senior managers each year.

2019 LTIP plan

Following shareholder approval of the 2019 LTIP plan at the Company's AGM on 26 April 2019, awards of shares have been made annually to executive and senior managers. Previously, a third of these awards vested under a Total Shareholder Return (TSR) performance condition, a third under an EPS performance condition and a third under a Return on Invested Capital (ROIC) performance condition. For the 2023 awards onwards, 30% of these awards vest under a TSR performance condition, 30% under an EPS performance condition, 30% under a ROIC performance condition and 10% under an ESG performance condition.

TSR measures the change in value of a share and reinvested dividends over the period of measurement. The actual number of shares transferred will be determined by the number of shares initially allocated multiplied by a vesting percentage. The actual number of shares transferred will be 25% at the 50th percentile rising to 100% at the 75th percentile.

The EPS performance condition is satisfied with 25% (15% for pre-2023 awards) of the awards vesting if the EPS growth is 9% over the vesting period up to a maximum of 100% vesting if EPS growth exceeds 35%.

Vesting of awards under the ROIC condition is determined by calculating the growth in ROIC, on a cumulative basis, over the performance period. For the 2023, 2024 and 2025 awards, the awards will vest by comparing the average ROIC over the performance period against a set of pre-defined targets.

The ESG performance condition is satisfied with an absolute reduction in scope 1 and 2 CO_2 emissions with targets aligned to the accredited, published 2030 SBTi targets.

The performance period for the 2022 awards ended on 31 December 2024. Messrs. PricewaterhouseCoopers LLP as independent actuaries certified to the Remuneration Committee that there was a 55.8% vesting of this award as the Group's EPS growth was 41.2% over the performance period and the Group's growth in economic profit was 48.2%. The TSR element of the scheme did not vest as the performance criteria were not met.

The performance period for the 2023 awards ended on 31 December 2025. There was an 81.7% vesting of this award as the Group's EPS growth was 33.6% over the performance period and the Group's growth in economic profit was 53.2%. PricewaterhouseCoopers LLP as independent actuaries certified to the Remuneration Committee that the TSR element of the scheme will vest at 43.3%.

	2025	2024
Grant date	**31 March**	21 March
Share price at grant date	**313p**	333p
Shares granted under scheme	**1,730,494**	1,651,166
Vesting period	**3 years**	3 years
Expected volatility	**23.0%**	26.0%
Risk free rate	**4.0%**	4.0%
Probability of ceasing employment before vesting	**5% p.a.**	5% p.a.
Fair value of awards under TSR performance conditions	**181p**	170p
Fair value of awards under EPS and ROIC performance conditions	**313p**	333p

Notes to the Group financial statements continued

For the year ended 31 December 2025

28. Share-based payments continued

2019 LTIP plan continued

	Outstanding at start of year	Granted during year	Vested during year	Lapsed	Outstanding at end of year
2022 Award	1,117,077	—	(318,725)	(798,352)	—
2023 Award	1,390,045	—	—	(90,715)	**1,299,330**
2024 Award	1,616,290	—	—	(84,123)	**1,532,167**
2025 Award	—	1,730,494	—	(41,795)	**1,688,699**
	4,123,412	1,730,494	(318,725)	(1,014,985)	**4,520,196**

The weighted average remaining life of awards outstanding is one year.

c) Global Employee Share plan (GESP) and the Share Incentive Plan (SIP)

These discretionary profit-linked share schemes are annual schemes based on the prior year profit of participating Rotork companies. The value of the award to each employee is based on salary and length of service and can be up to £3,600.

29. Financial instruments

Financial risk and treasury policies

The Group Treasury department maintains liquidity, identifies and manages foreign exchange risk, manages relations with the Group's bankers and provides a treasury service to the Group's businesses. Treasury dealings such as investments, borrowings and foreign exchange are conducted only to support underlying business transactions.

The Group has clearly defined policies for the management of credit, foreign exchange and interest rate risk. The Group Treasury department is not a profit centre and, therefore, does not undertake speculative foreign exchange dealings for which there is no underlying exposure. Exposures resulting from sales and purchases in foreign currency are matched where possible and the net exposure may be hedged.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash on deposit with financial institutions.

Management has a credit policy in place and exposure to credit risk is both monitored on an ongoing basis and reduced through the use of credit insurance covering over 80% of trade receivables at any time. Credit evaluations are carried out on all customers requiring credit above a certain threshold, with varying approval levels set around this depending on the value of the sale. At the balance sheet date there were no significant concentrations of credit risk.

Goods are sold subject to retention of title clauses, so that in the event of non–payment the Group may have a secured claim.

The Group maintains an allowance for impairment in respect of non–insured receivables where recoverability is considered doubtful.

The Group Treasury Committee meets regularly and reviews the credit risk associated with institutions that hold a material cash balance. As well as credit ratings, counterparties and instruments are assessed for credit default swap pricing and liquidity of funds.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2025	2024
Trade receivables	**178.5**	149.5
Cash and short-term deposits	**110.0**	150.0
	288.5	299.5

The maximum exposure to credit risk for trade receivables at the reporting date by currency was:

	Carrying amount	
	2025	2024
Sterling	**15.7**	18.7
US dollar	**50.4**	39.1
Euro	**51.2**	41.6
Other	**61.2**	50.1
	178.5	149.5

Allowance for expected credit loss against trade receivables

The following table shows the expected credit loss (ECL) that has been recognised for trade receivables:

	Gross 2025	Provision 2025	Gross 2024	Provision 2024
Not past due	**134.5**	**—**	122.3	—
Past due 0–30 days	**26.1**	**—**	19.3	—
Past due 31–60 days	**7.7**	**(0.1)**	5.3	(0.1)
Past due 61–90 days	**3.1**	**—**	1.8	(0.1)
Past due more than 91 days	**10.9**	**(3.7)**	4.8	(3.8)
	182.3	**(3.8)**	153.5	(4.0)

Notes to the Group financial statements continued

For the year ended 31 December 2025

29. Financial instruments continued

Financial risk and treasury policies continued

b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group is highly cash generative and uses monthly cash flow forecasts to monitor cash requirements and to optimise its return on investments. Typically the Group ensures that it has sufficient cash on hand to meet foreseeable operational expenses; it also maintains a £20.0m uncommitted undrawn overdraft facility (2024: £5.0m) on which interest would be payable at base rate plus 2.0% (2024: 2.0%), a €5.0m uncommitted undrawn overdraft facility (2024: €5.0m) on which interest would be payable at base rate plus 1.1% (2024: 1.1%), a $5.2m, uncommitted undrawn overdraft facility (2024: $5.2m) on which interest would be payable at the bank's cost of funds plus 1.1% (2024: 1.1%) and a CNY 40.0m (2024: CNY 40.0m) uncommitted undrawn overdraft facility on which interest would be payable the bank's cost of funds plus 1.1% (2024: 1.1%). There are additional facilities of INR 750m (2024: INR 750m), payable at base rate plus 2% (2024: 2%) and USD $10m (2024: $10m), payable at base rate plus 1.25% (2024: 1.25%) that are used to manage local working capital requirements and treated as overdrafts. They remain undrawn.

The Group holds a £75.0m committed Revolving Credit Facility which matures in December 2027. At 31 December 2025 this committed facility had £22.0m drawn, resulting in £53.0m being available.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

			Analysis of contractual cash flow maturities			
31 December 2025	**Carrying amount**	**Contractual cash flows**	**Less than 12 months**	**1–2 years**	**2–5 years**	**More than 5 years**
Lease liabilities	**22.7**	**26.1**	**5.3**	**4.1**	**5.7**	**11.0**
Trade and other payables and accrued expenses	**90.5**	**90.5**	**90.5**	**—**	**—**	**—**
Contingent consideration	**2.0**	**2.0**	**0.3**	**1.7**	**—**	**—**
Foreign exchange contracts	**0.5**	**0.5**	**0.5**	**—**	**—**	**—**
Sterling floating-rate revolving credit facility	**22.0**	**22.0**	**—**	**22.0**	**—**	**—**
	137.7	**141.1**	**96.6**	**27.8**	**5.7**	**11.0**

			Analysis of contractual cash flow maturities			
31 December 2024	Carrying amount	Contractual cash flows	Less than 12 months	1–2 years	2–5 years	More than 5 years
Lease liabilities	24.7	28.8	5.2	4.6	6.8	12.1
Trade and other payables and accrued expenses	77.3	77.3	77.3	—	—	—
Foreign exchange contracts	0.4	0.4	0.4	0.1	—	—
	102.4	106.5	82.9	4.7	6.8	12.1

The Group manages credit risk on its foreign exchange contracts by operating within defined counterparty limits and engaging only with counterparties that hold an investment-grade rating or higher at the time the foreign exchange contract is agreed, based on the major credit rating agencies.

Counterparty exposures are monitored regularly, and limits are adjusted where appropriate to reflect changes in perceived credit quality.

The Group's maximum exposure to credit risk is equal to the carrying value of the foreign exchange contracts.

c) Market risk

Market risk arises from changes in market prices, such as currency rates and interest rates, and may affect the Group's results. The objective of market risk management is to manage and control market risk within suitable parameters.

i) Currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the business unit's functional currency. The currencies primarily giving rise to this risk are the US dollar and related currencies and the euro. The Group hedges up to 75% of forecast US dollar or euro foreign currency exposures using forward exchange contracts. In respect of other non-sterling monetary assets and liabilities the exposures may also be hedged up to 75% where this is deemed appropriate.

As part of the Group's cash management some of the overseas subsidiaries have loan and deposit balances where their intra-group counterparty is in the UK. The balances are typically in local currency for the subsidiary so the UK holds a foreign currency current asset or liability which is usually hedged through the use of foreign exchange swaps. At the balance sheet date only the 'forward' part of the swap remains and this is designated as a cash flow hedge to match the currency exposure of the intercompany loan asset.

Notes to the Group financial statements continued

For the year ended 31 December 2025

29. Financial instruments continued

Financial risk and treasury policies continued

c) Market risk continued

i) Currency risk continued

The Group classifies its forward exchange contracts (that hedge both the forecast sale and purchase transactions and the intercompany loan and deposit balances) as cash flow hedges and states them at fair value. The net fair value of foreign exchange contracts used as hedges at 31 December 2025 was a £0.5m asset (2024: £0.6m asset) comprising an asset of £1.0m (2024: £1.0m) and a liability of £0.5m (2024: £0.4m). Forward exchange contracts in place at 31 December 2025 mature in 2026 and 2027.

Changes in the fair value of foreign exchange contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the income statement.

Sensitivity analysis

It is estimated that, with all other variables held equal (in particular other exchange rates), a general change of one cent in the value of euro against sterling would have had an impact on the Group's operating profit for the year ended 31 December 2025 of £0.3m (2024: £0.3m) and a change of one cent in the value of US dollar against sterling would have had an impact on the Group's operating profit for the year ended 31 December 2025 of £0.7m (2024: £0.7m). Larger changes would have a linear impact on operating profit. The method of estimation, which has been applied consistently, involves assessing the transaction impact of US dollar and euro cash flows and the translation impact of US dollar and euro profits.

The following significant exchange rates applied during the year:

	Average rate		Closing rate	
	2025	2024	**2025**	2024
US dollar	**1.32**	1.28	**1.35**	1.25
Euro	**1.17**	1.18	**1.15**	1.21

ii) Interest rate risk

The Group does not undertake any hedging activity in this area.

All cash deposits are made at prevailing interest rates and the majority is available with same day notice, though deposits are sometimes made with a maturity of no more than three months. The main element of interest rate risk concerns sterling, US dollar, euro and Renminbi deposits, all of which are on a floating-rate basis.

The interest rate profile of the Group's financial liabilities (excluding leases) at 31 December was as follows:

The Group has a sterling floating rate revolving credit facility. The fixed rate financial liabilities comprise preference shares.

The weighted average interest rates of the fixed and floating-rate financial liabilities are 9.5% (2024: 9.5%) and 4.5% (2024: nil) respectively.

The maturity profile of the Group's fixed rate financial liabilities (excluding leases) as at 31 December was greater than five years (2024: greater than five years). The maturity profile of the floating rate financial liability is disclosed in section b.

d) Capital risk management

The primary objective of the Group's capital management is to ensure it maintains sufficient capital in order to support its business and maximise shareholder value. The Group has an asset-light business model and uses cash generated from operations to either invest organically or by acquisition. The Group manages its capital structure and makes adjustments to it in light of changes in economic and market conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

Notes to the Group financial statements continued

For the year ended 31 December 2025

29. Financial instruments continued

Financial risk and treasury policies continued

d) Capital risk management continued

The Group defines capital as net cash/(debt) plus equity attributable to shareholders. There are no externally imposed restrictions on the Group's capital structure. The reconciliation of the Group's definition of capital employed is shown in note 2. The Group's reconciliation of net debt to net cash is shown below.

	Notes	2025	2024
Total borrowings including lease liabilities	21	**(44.7)**	(24.7)
Total cash and short-term deposits	17	**110.0**	150.0
Group net cash		**65.3**	125.3
Reconciliation of changes in assets and liabilities arising from financing activities			
Increase in long term loans		**(22.0)**	—
Repayment of lease liabilities		**4.8**	4.2
Increase in lease liabilities		**(2.8)**	(16.9)
Changes in financial liabilities arising from financing activities		**(20.0)**	(12.7)
Net (decrease)/increase in cash and cash equivalents		**(40.0)**	3.6
Net decrease in net cash		**(60.0)**	(9.1)
Net cash at start of year		**125.3**	134.4
Net cash at end of year		**65.3**	125.3

e) Fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, were as follows:

	Carrying amount 2025	Fair value 2025	Carrying amount 2024	Fair value 2024
Loans and receivables				
Trade receivables	**178.5**	**178.5**	149.5	149.5
Financial assets				
Cash and short-term deposits	**110.0**	**110.0**	150.0	150.0
Designated cash flow hedges				
Foreign exchange contracts:				
– Financial assets	**1.0**	**1.0**	1.0	1.0
– Financial liabilities	**(0.5)**	**(0.5)**	(0.5)	(0.5)
Financial liabilities at amortised cost				
Trade and other payables and accrued expenses	**(90.5)**	**(90.5)**	(77.3)	(77.3)
Interest-bearing loans	**(22.0)**	**(22.0)**	—	—
Contingent consideration	**(2.0)**	**(2.0)**	—	—
Lease liabilities	**(22.7)**	**(22.7)**	(24.7)	(24.7)
	151.8	**151.8**	198.0	198.0

Fair value hierarchy

The fair value of the Group's outstanding derivative financial assets and liabilities consisted of foreign exchange contracts and swaps and were estimated using year end spot rates adjusted for the forward points to the appropriate value dates, and gains and losses are taken to other comprehensive income, and estimated using market foreign exchange rates at the balance sheet date. All derivative financial instruments are categorised as Level 2 in the fair value hierarchy.

The other financial instruments are classified as Level 3 in the fair value hierarchy and are valued as follows.

Cash and cash equivalents, trade and other payables, and trade receivables are carried at their book values as this approximates to their fair value due to the short-term nature of the instruments.

Bank loans and lease liabilities are carried at amortised cost as it is the intention that they will not be repaid prior to maturity, where this option exists. The fair values are evaluated by the Group based on parameters such as interest rates and relevant credit spreads.

Notes to the Group financial statements continued

For the year ended 31 December 2025

30. Leases

The Group leases many assets including land and buildings, vehicles, machinery and IT equipment. Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

The right-of-use assets are disclosed as non-current assets and are part of the property, plant and equipment balance of £91.3m at 31 December 2025.

	Land and buildings	Plant and equipment	Total
Balance at 1 January	**20.8**	**3.0**	**23.8**
Depreciation charge for the year	**(3.5)**	**(1.6)**	**(5.1)**
Additions to right-of-use assets	**1.4**	**1.4**	**2.8**
Foreign exchange differences	**(0.6)**	**0.6**	**—**
Balance at 31 December	**18.1**	**3.4**	**21.5**

Lease liabilities

	2025	2024
Maturity analysis – contractual undiscounted cash flows		
Less than one year	**5.3**	5.2
One to five years	**9.8**	11.5
More than 5 years	**11.0**	12.1
Total undiscounted lease liability at 31 December	**26.1**	28.8
Interest cost associated with future periods	**(3.4)**	(4.1)
Lease liabilities included in Consolidated balance sheet at 31 December	**22.7**	24.7
Current	**4.6**	4.3
Non-current	**18.1**	20.4

Amounts recognised in the income statement

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

	2025	2024
Leases under IFRS 16		
Interest on lease liabilities	**0.9**	0.8
Expenses relating to short-term leases and leases of low-value assets	**1.5**	2.2
Depreciation of right-of-use assets	**5.2**	4.9

Amounts recognised in statement of cash flows

	2025	2024
Total cash outflow for leases	**6.3**	6.5

31. Capital commitments

Capital commitments at 31 December for which no provision has been made in these accounts were:

	2025	2024
Contracted	**1.9**	1.0

32. Contingencies

	2025	2024
Performance guarantees and indemnities	**9.0**	6.5

The performance guarantees and indemnities have been entered into in the normal course of business. A liability would only arise in the event of the Group failing to fulfil its contractual obligations.

Subsidiary audit exemptions

Rotork plc has issued guarantees over the liabilities of the following companies at 31 December 2025 under Section 479C of Companies Act 2006 and these entities are exempt from the requirements of the Act relating to the audit of individual accounts by virtue of Section 479A of the Act.

- Bifold Fluidpower Limited (01787729)
- Bifold Group Limited (06186844)
- Flowco Limited (02891839)
- Rotork Midland Limited (02819224)
- Rotork Americas Holdings Limited (12320359)
- Rotork Controls Limited (00608345)
- Rotork Overseas Limited (01010160)
- Rotork UK Limited (01090344)

Notes to the Group financial statements continued

For the year ended 31 December 2025

33. Related parties

The Group has a related party relationship with its subsidiaries and with its directors and key management. A list of subsidiaries is shown on pages 201 to 203 of these financial statements. Transactions between two subsidiaries for the sale and purchase of products or the subsidiary and parent Company for management charges are priced on an arm's length basis.

Key management emoluments

The emoluments of those members of the Rotork Management Board, including directors, who are responsible for planning, directing and controlling the activities of the Group were:

	2025	2024
Emoluments including social security costs	**8.7**	8.2
Pension contributions	**0.3**	0.3
Share-based payments	**2.0**	1.4
	11.0	9.9

The directors are members of defined contribution schemes; less than £0.1m (2024: less than £0.1m) has been paid into defined contribution schemes on their behalf during the year.

The aggregate amount of gains made by directors on the exercise of share options was £nil (2024: £0.1m).

The aggregate amount of remuneration for all directors can be found in the Directors' Remuneration Report in the Single figure table on page 136.

34. Post balance sheet events

On 26 February 2026, the Group entered into an agreement to sell 100% of the share capital of two non-core subsidiaries, Rotork Midland Limited and Rotork Instruments Italy Srl. The combined sale, for an enterprise value of £24.4m, subject to customary debt-like items and working capital adjustments, completed on 4 March 2026.

Rotork plc Company balance sheet and statement of changes in equity

Rotork plc Company balance sheet
At 31 December 2025

	Notes	2025 £m	2024 £m
Non-current assets			
Investments	c	**43.2**	43.2
Amounts owed by Group undertakings		**417.3**	355.5
Deferred tax assets	d	**1.1**	0.8
Total non-current assets		**461.6**	399.5
Current assets			
Amounts owed by Group undertakings		**4.8**	57.8
Other receivables	e	**0.1**	0.3
Total current assets		**4.9**	58.1
Total assets		**466.5**	457.6
Current liabilities			
Trade payables		**1.2**	0.3
Current tax		**2.0**	8.0
Amounts owed to Group undertakings		**139.5**	108.1
Other payables	f	**7.5**	9.0
Total current liabilities		**150.2**	125.4
Non-current liabilities			
Interest-bearing loans and borrowings		**22.0**	—
Preference share capital		**—**	—
Total non-current liabilities		**22.0**	—
Total liabilities		**172.2**	125.4
Net assets		**294.3**	332.2
Equity			
Issued equity capital	g	**4.1**	4.2
Share premium		**23.4**	21.9
Capital redemption reserve		**1.9**	1.8
Retained earnings		**264.9**	304.3
Total equity		**294.3**	332.2

The Company reported a total profit for the financial year of £82.0m (2024: £80.0m).

These Company financial statements, company number 00578327, were approved by the Board of Directors on 9 March 2026 and were signed on its behalf by:

K Huynh and B Peacock
Directors

Rotork plc Company statement of changes in equity
At 31 December 2025

	Issued equity capital £m	Share premium £m	Capital redemption reserve £m	Retained earnings £m	Total equity £m
Balance at 31 December 2023	4.3	21.0	1.7	341.1	368.1
Total comprehensive income for the year	—	—	—	80.0	80.0
Equity settled share-based payment transactions	—	—	—	4.0	4.0
Share options exercised by employees	—	0.9	—	—	0.9
Own ordinary shares acquired	—	—	—	(10.3)	(10.3)
Own ordinary shares awarded under share schemes	—	—	—	3.1	3.1
Share buyback programme	(0.1)	—	0.1	(50.3)	(50.3)
Dividends	—	—	—	(63.3)	(63.3)
Balance at 31 December 2024	4.2	21.9	1.8	304.3	332.2
Total comprehensive income for the year	**—**	**—**	**—**	**82.0**	**82.0**
Equity settled share-based payment transactions	**—**	**—**	**—**	**7.8**	**7.8**
Share options exercised by employees	**—**	**1.5**	**—**	**—**	**1.5**
Own ordinary shares acquired	**—**	**—**	**—**	**(2.2)**	**(2.2)**
Share buyback programme	**(0.1)**	**—**	**0.1**	**(60.4)**	**(60.4)**
Dividends	**—**	**—**	**—**	**(66.6)**	**(66.6)**
Balance at 31 December 2025	**4.1**	**23.4**	**1.9**	**264.9**	**294.3**

Notes to the Company financial statements

a) Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. Notes a to i relate to the Company rather than the Group. Except where indicated, values in these notes are in £m.

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015, and the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015. In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- comparative period reconciliations for share capital and tangible fixed assets;
- disclosures in respect of transactions with wholly-owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs; and
- disclosures in respect of the compensation of Key Management Personnel.

Notes to the Company financial statements

The Company produces consolidated financial statements which have been prepared in accordance with UK-adopted international accounting standards. As the consolidated financial statements of the Company include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of Group settled share based payments;
- the disclosures required by IFRS 7 and IFRS 13 regarding financial instruments; and
- the disclosures required by IAS 12 Income Taxes in connection with Pillar Two.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Company measures these at fair value under IFRS 9. At the balance sheet date these guarantees do not have a material value and the likelihood of guarantees being called upon is remote.

As permitted by s408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account or statement of comprehensive income for the year. The profit attributable to the Company is disclosed in the footnote to the Company's balance sheet.

Audit fees

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements.

Going concern

The directors are satisfied that the Company has sufficient resources to continue in operation for a period of not less than 12 months from the date of this report. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements. Assumptions relating to going concern for the Company are aligned to the Group as described on page 166.

Investments in subsidiaries

Investments are measured at cost less any provision for impairment and comprise investments in subsidiary companies.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Plant and machinery are depreciated by equal annual instalments by reference to their estimated useful lives and residual values at annual rates of between 10% and 33%. Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Amounts owed to and from Group undertakings

The amounts owed by Group undertakings relate to dividend balances, tax paid on behalf of subsidiary undertakings and other receivable balances arising due to costs incurred by the Company on behalf of subsidiaries. Balances expected to be repaid within one year are classified as current.

Amounts owed to Group undertakings relate to outstanding cash pooled balances.

Post-retirement benefits

The Company participates in a UK Group pension scheme providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the Company. The sponsoring employer for the Group pension scheme is Rotork Controls Ltd. No contractual agreement or policy is in place for charging to individual Group entities the net defined benefit cost for the plan as a whole. As a result, in accordance with IAS 19, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Classification of preference shares

In line with the requirements of IFRS 9, Financial Instruments, the cumulative redeemable preference shares issued by the Company are classified as long-term debt. The preference dividends are charged within interest payable.

Notes to the Company financial statements continued

a) Accounting policies continued

Deferred taxation

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Share-based payments

The Company has adopted IFRS 2 and its policy in respect of share-based payment transactions is consistent with the Group policy shown in note 1 to the Group financial statements. Costs in relation to share-based awards made to other Group company employees are recharged to each subsidiary company.

Dividends

Interim dividends are recorded in the financial statements when they are paid. Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders.

Critical judgements and key estimation uncertainties

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year are listed below. There are no critical accounting estimates or judgements requiring evaluation.

b) Personnel expenses in the Company profit and loss account

	2025	2024
Wages and salaries (including bonus and incentive plans)	**8.0**	9.0
Social security costs	**1.6**	1.6
Pension costs	**0.3**	0.2
Share-based payment charge	**2.0**	2.1
	11.9	12.9

During the year there were 44 (2024: 42) employees of Rotork plc including the two (2024: two) executive directors.

Share-based payments

The share-based payment charge relates to employees of the Company participating in the Long-Term Incentive Plan (LTIP). The disclosures required under IFRS 2 can be found in note 28 to the Group Financial Statements. The table below sets out the movement of share options under the LTIP for employees of the Company.

	Outstanding at start of year	Granted during year	Vested during year	Lapsed	Outstanding at end of year
2022 Award	618,437	—	(248,137)	(370,300)	**—**
2023 Award	592,145	—	—	(16,445)	**575,700**
2024 Award	726,260	—	—	(30,265)	**695,995**
2025 Award	—	812,901	—	(21,345)	**791,556**
	1,936,842	812,901	(248,137)	(438,355)	**2,063,251**

The weighted average remaining life of awards outstanding at the year-end is two years.

c) Investments in the Company balance sheet

Shares in Group companies

	2025	2024
At 31 December	**43.2**	43.2

The subsidiaries and joint ventures of the Company are listed on pages 201 to 203.

Notes to the Company financial statements continued

d) Deferred tax assets and liabilities in the Company balance sheet

Deferred tax assets and liabilities are attributable to the following:

	Assets 2025	Liabilities 2025	Net 2025	Assets 2024	Liabilities 2024	Net 2024
Employee benefits	**0.7**	**—**	**0.7**	0.4	—	0.4
Other items	**0.4**	**—**	**0.4**	0.4	—	0.4
	1.1	**—**	**1.1**	0.8	—	0.8

Movements in the net deferred tax balance during the year are as follows:

	2025	2024
Balance at 1 January	**0.8**	0.3
Credited to the income statement	**0.3**	0.5
	1.1	0.8

There is an unrecognised deferred tax liability for temporary differences associated with investments in subsidiaries. Rotork plc controls the dividend policies of its subsidiaries and consequently the timing of the reversal of the temporary differences. The value of temporary differences associated with unremitted earnings of subsidiaries for which deferred tax has not been recognised is £406.6m (2024: £357.2m).

A deferred tax asset has not been recognised in relation to capital losses of £7.6m (2024: £7.6m), due to uncertainty over the offset against future capital profits in the companies concerned. There is no expiry date in relation to this asset.

e) Other receivables in the Company balance sheet

	2025	2024
Prepayments	**0.1**	0.3
	0.1	0.3

f) Other payables in the Company balance sheet

	2025	2024
Other taxes and social security	**0.3**	0.8
Other payables	**4.2**	4.2
Accruals	**3.0**	4.0
	7.5	9.0

Details of the interest and repayment terms of the bank loans can be found in note 21 of the Group consolidated financial statements.

The Company has a £20.0m unused uncommitted gross overdraft facility (2024: £17.0m) and is part of a UK banking arrangement, see note g.

g) Contingencies in the Company

The UK banking arrangements are subject to cross-guarantees between the Company and its UK subsidiaries. These accounts are subject to a right of set-off. The performance guarantees and indemnities have been entered into in the normal course of business. A liability would only arise in the event of the Group failing to fulfil its contractual obligations.

h) Capital and reserves in the Company balance sheet

Details of the number of ordinary shares in issue and dividends paid in the year are given in note 19 to the Group financial statements.

i) Related parties

The Company has taken advantage of the exemption not to disclose transactions with related parties that are wholly owned by a subsidiary of the Company. The following table provides the total amount of transactions that have been entered into with non-wholly owned related parties for the relevant financial year and outstanding balances at the year end.

Related party		2025	2024
Rotork Saudi Arabia LLC	Group charges	**0.8**	0.6
	Amounts due by	**1.5**	0.7

Notes to the Company financial statements continued

Subsidiary undertakings

The subsidiary undertakings of the Company as at 31 December 2025 are noted below. Unless otherwise indicated, the Company's shareholdings are held indirectly.

Subsidiary	Incorporated in	Registered address
100% owned by Rotork plc		
G.H. Chaplin & Co (Engineers) Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Analysis Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Cleaners Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Control and Safety Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Instruments Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Nominees Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Widcombe (Developments) Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Controls Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Overseas Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
100% owned by Rotork Controls Limited		
Rotork Actuation (Shanghai) Co., Ltd	China	Room 321-325, Floor 3, Building 12, No. 319, Cao Lian Road, Min Hang District, Shanghai, China
Rotork Trading (Shanghai) Co., Ltd	China	Room 1177, No. 400, Middle Zhejiang Road, Huangpu District, Shanghai, PRC
Rotork Flow Technology (Suzhou) Co., Ltd	China	Building A, No. 88, Yinhe Road, Eastsouth Street, Changshu, Jiangsu Providence, PRC
Rotork Controls (India) Private Limited	India	28B, Ambattur Industrial Estate (North Phase), Chennai, Tamil Nadu, 600098, India
Rotork UK Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Valvekits Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Americas Holdings Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
75% owned by Rotork Controls Limited		
Rotork Saudi Arabia LLC	Saudi Arabia	Building #7413, PO Box: 2482, Dhahran – 34521, Kingdom of Saudi Arabia
100% owned by Rotork Overseas Limited		
Rotork Australia Pty. Ltd.	Australia	South Tower, Level 16, 80 Collins Street, Melbourne VIC, 3000, Australia
Rotork Controls Comercio De Atuadores LTDA	Brazil	Rua Quaresmeira da Serra 144 Loteamento Industrial Veccon Zeta, Sumaré, São Paulo, 13.178-542, Brazil
Rotork Controls (Canada) Ltd.	Canada	2-6725 Millcreek Drive, Mississauga, Ontario, Canada L5N 5V3
Rotork Andina SpA	Chile	Av. Pdte. Eduardo Frei Montalva 9770, B23, Quilicura, Santiago, Chile
Bifold Group Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Midland Limited[1]	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Rotork Motorisation SAS	France	8, rue du Commandant d'Estienne d'Orves, 92390 Villeneuve-La-Garenne, France
Rotork Controls (Deutschland) GmbH	Germany	Siemensstr. 33, 40721 Hilden, Germany
Rotork Germany Holdings GmbH	Germany	Mühlsteig 45, 90579 Langenzenn, Germany
Rotork Limited	Hong Kong	Room 1918, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong

Notes to the Company financial statements continued

Subsidiary undertakings continued

Subsidiary	Incorporated in	Registered address
Rotork Controls Italia Srl	Italy	Via Portico 17, 24050, Orio al Serio, Bergamo, Italy
Rotork Japan Co Limited	Japan	2-2-24 Sengoku, Koto-ku, Tokyo, 135-0015, Japan
Rotork Middle East FZE	United Arab Emirates	PUB-AC06, near R/A 08, PO Box 262903, Jebel Ali Free Zone, Dubai, United Arab Emirates
Rotork (Malaysia) Sdn Bhd	Malaysia	1-17-1, Menara Bangkok Bank, Berjaya Central Park, No 105, 50450 Jalan Ampang, Kuala Lumpur, Malaysia
Rotork Actuation Sdn Bhd	Malaysia	1-17-1, Menara Bangkok Bank, Berjaya Central Park, No 105, 50450 Jalan Ampang, Kuala Lumpur, Malaysia
Rotork Gears Holding BV	Netherlands	Nijverheidstraat 25, 7581 PV Losser, Netherlands
Robusta Miry Brook BV	Netherlands	Herikerbergweg 88, 1101CM, Amsterdam, Netherlands
Rotork Norge AS	Norway	Ormahaugvegen 3, 5347 Ågotnes, Norway
Rotork Polska spółka z ograniczoną odpowiedzialnością	Poland	Ul. Plutonowego Ryszarda Szkubacza 8, 41-800 Zabrze, Poland
Rotork Rus Limited Liability Company[2]	Russia	127254 Moscow, Rustaveli street, 14, bld. 6, space ¼, Russian Federation
Rotork Controls (Singapore) Pte Limited	Singapore	426 Tagore Industrial Avenue, Sindo Industrial Estate, Singapore 787808
Rotork Africa (Pty) Ltd	South Africa	136 Kuschke Street, Meadowdale, Germiston, Gauteng 1601, South Africa
Rotork Controls Korea Co., Ltd	South Korea	Room 509, 42 Jangmi-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, 13496, Republic of Korea,
Rotork YTC Limited	South Korea	81 Hwanggeum-ro, 89 Beon-gil, Yangchon-eup, Gimpo-si, Gyeonggi-do, 10048, Republic of Korea
Rotork Controls Iberia S.L.	Spain	Larrondo Beheko Etorbidea, Edificio 2, 48180 Loiu Bizkaia, Spain
Rotork Sweden AB	Sweden	Box 80, 791 22 Falun, Sweden
Rotork AG	Switzerland	Fuchsacker 678, 9426 Lutzenberg, Switzerland
Rotork Inc	USA	675 Mile Crossing Blvd., Rochester, NY 14624, USA
Rotork Controls de Venezuela SA	Venezuela	Av. San Felipe Edif, Bancaracas piso PH Ofic., La Castellana Caracas (Chacao) Miranda Zona Postal 1060, Venezuela
Rotork Turkey Akış Kontrol Sistemleri Ticaret Limited Sirketi	Turkey	Aydınli Mh. Melodi Sk., Bilmo Küçük Sanayi Sitesi, No:35/1-2, Tuzla, Istanbul, 34953, Turkey
100% owned by Rotork YTC Limited		
NOAH Actuation Co.,Ltd	South Korea	11, Jeongseojin 9-ro, Seo-gu, Incheon, 22850, South Korea
100% owned by Rotork Controls Iberia S.L.		
SL Actuation Iberia SL	Spain	Calle Ercilla, 21. 48009, Bilbao, Spain
100% owned by Valvekits Limited		
Circa Engineering Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
100% owned by Rotork Trading (Shanghai) Co Limited		
Centork Trading (Shanghai) Co. Ltd	China	Room C-02, 1/F, West Area No. 2 Building, No. 29 Jiatai Road, Free Trade Zone, Shanghai, China
100% owned by Rotork UK Limited		
Prokits Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Flowco Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
100% owned by Rotork Controls Italia Srl		
Rotork Instruments Italy Srl[1]	Italy	Via Portico 17, 24050, Orio al Serio, Bergamo, Italy

Notes to the Company financial statements continued

Subsidiary undertakings continued

Subsidiary	Incorporated in	Registered address
Rotork Fluid Systems Srl	Italy	Via Padre Jacques Hamel 138/B, 55016 Porcari, Lucca, Italy
100% owned by Rotork Gears Holding BV		
Rotork Gears BV	Netherlands	Nijverheidstraat 25, 7581, PV Losser, Netherlands
Rotork BV	Netherlands	Mandenmakerstraat 45, 3194, DA Hoogvliet Rotterdam, Netherlands
100% owned by Rotork Inc		
Rotork (Thailand) Limited	Thailand	35/8 Soi Ladprao 124 (Sawasdikarn), Ladprao Road, Plubpla Sub-district, Bangkok Metropolis, Wangtonglang District, Thailand
Rotork Controls Inc	USA	675 Mile Crossing Blvd., Rochester, NY 14624, USA
Remote Control Inc	USA	77 Circuit Drive. North Kingstown, RI 02852, USA
Ranger Acquisition Corporation	USA	The Corporation Trust Company, Corporation Trust Center, 1209 Orange St., Wilmington, DE 19801, USA
100% owned by Rotork Controls Inc		
Rotork Pittsburgh LLC	USA	3000 Commerce Loop Street, 3103 North Huntingdon, PA, 15642-8112, USA
100% owned by Ranger Acquisition Corporation		
Fairchild Industrial Products Company	USA	3920 West Point Blvd, Winston-Salem, NC 27103, USA
100% owned by Fairchild Industrial Products Company		
Fairchild India Private Limited[2]	India	Plot no. 4B, District Centre, Mayur Vihar Extension Phase no. 1, East Delhi, New Delhi, 110091, India
100% owned by Bifold Group Limited		
Bifold Fluidpower (Holdings) Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
100% owned by Bifold Fluidpower (Holdings) Limited		
Bifold Fluidpower Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
MTS Precision Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Marshalsea Hydraulics Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
Bifold Company (Manufacturing) Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
100% owned by Bifold Fluidpower Limited		
Fluidpower (Stainless Steel) Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
100% owned by Rotork Germany Holdings GmbH		
Max Process GmbH	Germany	Rastenweg 10, 53489 Sinzig, Germany
Schischek GmbH	Germany	Mühlsteig 45, 90579 Langenzenn, Germany
Rotork GmbH	Germany	Mühlsteig 45, 90579 Langenzenn, Germany
100% owned by Rotork AG		
Schischek Limited	England and Wales	Rotork House, Brassmill Lane, Bath BA1 3JQ, United Kingdom
100% owned by Robusta Miry Brook BV		
Rotork Servo Controles de Mexico S.A. de C.V	Mexico	Centeotl 223, Colonia Industrial San Antonio, Delegación Azcapotzalco, Federal District, 02760, Mexico

1 With effect from 4 March 2026, this entity was divested and ceased to be a subsidiary undertaking.

2 Dormant – pending liquidation.

Ten year trading history

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m	2017 £m	2016 £m
Revenue	**777.3**	754.4	719.2	641.8	569.2	604.5	669.3	695.7	642.2	590.1
Cost of sales	**(388.5)**	(382.5)	(380.1)	(350.1)	(306.4)	(320.2)	(357.7)	(384.3)	(358.1)	(328.4)
Gross profit	**388.8**	371.9	339.1	291.7	262.8	284.3	311.6	311.5	284.1	261.7
Overheads	**(231.7)**	(236.0)	(190.3)	(168.1)	(157.1)	(171.2)	(189.7)	(188.5)	(198.2)	(167.9)
Operating profit	**157.1**	135.9	148.8	123.6	105.7	113.1	121.9	122.9	86.0	93.8
Adjusted operating profit[1]	**191.5**	178.4	164.5	143.2	128.1	142.5	151.0	146.0	130.2	120.6
Amortisation of acquired intangible assets	**(3.0)**	(2.6)	(2.1)	(7.1)	(9.0)	(14.1)	(18.8)	(20.3)	(27.2)	(26.8)
Defined benefit scheme settlement loss	**—**	(18.0)	—	—	—	—	—	—	—	—
Other adjustments	**(31.4)**	(21.9)	(13.6)	(12.6)	(13.4)	(15.3)	(10.2)	(2.8)	(17.0)	—
Operating profit	**157.1**	135.9	148.8	123.6	105.7	113.1	121.9	122.9	86.0	93.8
Net interest	**0.8**	4.6	1.9	0.5	0.2	(0.5)	(3.0)	(2.2)	(5.4)	(2.7)
Profit before taxation	**157.9**	140.5	150.6	124.1	105.9	112.6	119.0	120.7	80.6	91.1
Tax expense	**(41.0)**	(35.7)	(37.2)	(30.9)	(25.7)	(26.8)	(29.1)	(29.0)	(25.0)	(23.9)
Profit for the year	**116.9**	104.8	113.5	93.2	80.2	85.8	89.9	91.7	55.6	67.2
Dividends	**66.6**	63.3	58.8	55.4	75.5	33.9	52.3	48.3	45.2	43.9
Basic EPS	**13.8p**	12.1p	13.2p	10.9p	9.2p	9.8p	10.3p	10.5p	6.4p	7.7p
Adjusted Basic EPS[1]	**17.0p**	15.9p	14.6p	12.7p	11.3p	12.5p	13.0p	12.6p	10.6p	10.0p
Diluted EPS	**13.7p**	12.1p	13.2p	10.8p	9.2p	9.8p	10.3p	10.5p	6.4p	7.7p

1 Adjusted operating profit is the Group's operating profit excluding the amortisation of acquired intangible assets and other adjusting items as defined in note 1.

The ten year trading history presented above is unaudited.

The figures presented in the table have been rounded to £0.1m to align with the current and prior year figures reported in the consolidated financial statements. Due to rounding, totals may not equal the sum of components for figures pre-2024.

Share register information

The tables below show the split of shareholder and size of shareholding in Rotork plc.

Ordinary shareholder by type	Number of holdings	%	Number of shares	%
Individuals	2,694	82.24	17,185,489	2.07
Bank or nominees	532	16.24	778,888,774	93.98
Other company	24	0.73	3,120,623	0.38
Other corporate body	26	0.79	29,599,920	3.57
	3,276	100	828,794,806	100

Range	Number of holdings	%	Number of shares	%
1-1,000	1,187	36.23	477,226	0.06
1,001-2,000	402	12.27	593,924	0.07
2,001-5,000	511	15.60	1,674,582	0.20
5,001-10,000	329	10.04	2,401,576	0.29
10,001-50,000	446	13.62	9,749,204	1.18
50,001-100,000	83	2.53	5,916,489	0.71
100,001+	318	9.71	807,981,805	97.49
	3,276	100	828,794,806	100

Source: Equiniti.

Dividend information

In respect of each of the last five years, the table below details the amounts of interim and final dividends declared or, in the case of the 2025 final dividend, proposed and subject to shareholder approval at the 2026 AGM.

	Interim dividend (p)	Final dividend (p)	Total dividends (p)
2025	**2.95**	**5.35**[1]	**8.30**
2024	2.75	5.00	7.75
2023	2.55	4.65	7.20
2022	2.40	4.30	6.70
2021	2.35	4.05	6.40

Shareholder and dividend information presented above is unaudited.

1 Subject to shareholder approval at the 2026 AGM.

Financial calendar

10 March 2026	Preliminary announcement of annual results for 2025
23 April 2026	Ex-dividend date for proposed final 2025 dividend
24 April 2026	Record date for proposed final 2025 dividend
1 May 2026	Announcement of trading update
1 May 2026	Annual General Meeting to be held at the offices of FTI Consulting, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD
2 June 2026	Payment date for final 2025 dividend[1]
4 August 2026	Announcement of interim financial results for 2026
18 November 2026	Announcement of trading update

1 Subject to shareholder approval at the 2026 AGM.

Corporate directory

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Stuart Pain

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Company Number

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Notes

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