

RENOLD

Notice of AGM

Renold plc

2013 Annual General Meeting

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

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

Notice of the 2013 Annual General Meeting of the Company to be held at Renold House, Styal Road, Wythenshawe, Manchester M22 5WL on Tuesday 23 July 2013 at 11.00 a.m. is set out on pages 8 to 10 inclusive. Whether or not Ordinary Shareholders propose to attend the 2013 Annual General Meeting, Ordinary Shareholders are requested to complete and return the enclosed form of proxy so as to be received by the Company's registrars, Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 11.00 a.m. on 19 July 2013. The return of a form of proxy will not preclude an Ordinary Shareholder from attending and voting at the 2013 Annual General Meeting in person should they subsequently decide to do so.

Definitions

The following definitions apply throughout this document:

2004 PSP means the Renold plc 2004 Performance Share Plan;

2006 Act means the Companies Act 2006;

2013 Annual General Meeting means the annual general meeting of the Company to be held at Renold House, Styal Road, Wythenshawe, Manchester M22 5WL on Tuesday 23 July 2013 at 11.00 a.m.;

2013 PSP means the Renold plc 2013 Performance Share Plan;

Board means the Board of Directors of Renold plc;

Company means Renold plc (incorporated and registered in England and Wales with number 249688);

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

Notice of Annual General Meeting means the notice convening the 2013 Annual General Meeting set out on pages 8 to 10; inclusive of this document;

Ordinary Shareholder means a holder of Ordinary Shares;

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

Preference Shareholders means the holders of 6% cumulative preference stock of £1 each in the capital of the Company; and

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

Incorporated and registered in England and Wales with number 249688

21 June 2013

Directors:

Mark Harper (Chairman)
Robert Purcell (Chief Executive)
Brian Tenner (Finance Director)
John Allkins (Senior Independent Non-Executive Director)
Ian Griffiths (Non-Executive Director)

To Ordinary Shareholders and, for information only, to Preference Shareholders and the holders of options under the Company's share option schemes

Dear Ordinary Shareholder

The 2013 Annual General Meeting is to be held at Renold House, Styal Road, Wythenshawe, Manchester M22 5WL on Tuesday 23 July 2013 at 11.00 a.m. The formal Notice of Annual General Meeting is set out on pages 8 to 10 inclusive of this document.

The purpose of this letter is to explain certain elements of the business to be considered at the 2013 Annual General Meeting.

Resolutions 1 to 9 will be proposed as ordinary resolutions and Resolutions 10 to 13 will be proposed as special resolutions. The proposed ordinary resolutions will be passed if more than 50% of the votes cast are in favour and the proposed special resolutions will be passed if at least 75% of the votes cast are in favour.

The Ordinary Business to be proposed at the 2013 Annual General Meeting

The ordinary business to be proposed at the 2013 Annual General Meeting is set out in Resolutions 1 to 7 inclusive.

Robert Purcell was appointed as a director of the Company on 21 January 2013. Under article 107 of the Company's articles of association, Robert Purcell is required to stand for election at the next annual general meeting of the Company following his appointment and as such puts himself forward for election by the Ordinary Shareholders with the recommendation of the Board.

In addition to Robert Purcell's election, under the Company's articles of association, up to one third of the Directors are obliged to retire by rotation at each annual general meeting of the Company and be eligible for re-election. Therefore, in compliance with article 103 of the Company's articles of association, John Allkins and Ian Griffiths, who have, at the date of the 2013 Annual General Meeting, been two of the Directors that have longest been in office since their last re-election will retire at the 2013 Annual General Meeting and put themselves forward for re-election by the Ordinary Shareholders, with the recommendation of the Board.

Brief biographical details of Robert Purcell, John Allkins and Ian Griffiths can be found in the Annex to this Notice of Annual General Meeting.

The Special Business to be proposed at the 2013 Annual General Meeting

In addition to the ordinary business, you will find Resolutions 8 to 13 inclusive, which will be proposed at the 2013 Annual General Meeting as special business. A detailed explanation of Resolutions 8 to 13 follows.

Resolution 8 – introduction of the 2013 PSP

In 2004 Ordinary Shareholders approved a number of new equity incentive schemes, one of which was the 2004 PSP. The 2004 PSP is due to expire in 2014 and the Board proposes, on the recommendation of the Remuneration Committee and independent advice, that ordinary resolution 8 be put forward at the 2013 Annual General Meeting to seek Ordinary Shareholders' approval for the introduction of the 2013 PSP as a replacement Performance Share Plan.

If approved by Ordinary Shareholders, the 2013 PSP will be effective from the date of the 2013 Annual General Meeting.

The Remuneration Committee continues to monitor best practice in relation to directors' remuneration and believes that the proposed 2013 PSP will continue to encourage alignment of the interests of senior executives with those of shareholders while helping to attract, motivate and retain key employees.

Under the proposed 2013 PSP, participants will either be granted nil-cost options, market value options (either as HMRC approved or non-HMRC approved options) or be given conditional share awards whereby participants would receive shares in the future (either on exercise of an option or vesting of an award), conditional on the achievement of challenging performance targets.

The 2013 PSP is intended to replace all other existing executive long term incentive plans and from the date of its approval it is envisaged that it will become the sole long term incentive plan for the purpose of making new awards.

The first awards (expected in financial year 2013/14) made under the 2013 PSP will be based on the achievement of performance conditions over a three year period. A summary of the principal features of the PSP are set out in Appendix 1.

Resolution 9 – authority to allot Ordinary Shares

Resolution 9 deals with the Directors' authority to allot shares. The Directors are currently authorised to allot relevant securities of the Company but their authorisation ends on the date of 2013 Annual General Meeting. This resolution seeks to renew the Directors' authority to allot shares.

In accordance with guidance issued by the Association of British Insurers, Resolution 9 will, if passed, give the Directors the authority to allot Ordinary Shares or grant rights to subscribe for or convert any securities into Ordinary Shares up to a maximum nominal amount of £7,361,446.28, representing 147,228,925 Ordinary Shares and approximately 66.6% of the issued ordinary share capital of the Company as at the date of this document. Of this amount, 73,614,462 Ordinary Shares representing approximately 33.3% of the issued ordinary share capital of the Company can only be allotted pursuant to a fully pre-emptive rights issue. The Association of British Insurers expects all members of the board to stand for re-election at the next Annual General Meeting if a the Company makes allotments in excess of one third of nominal value over the course of the year and the monetary proceeds exceed one third of the pre-issue market capitalisation of the Company. The Board would intend to meet The Association of British Insurers' expectations should such an allotment be made.

This authority would expire on the earlier of the conclusion of the Company's next annual general meeting and 22 January 2015. The Board has no present intention of exercising the authority and intends to seek its renewal at subsequent annual general meetings of the Company.

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

Resolution 10 – disapplication of statutory pre-emption provisions

Resolution 10 seeks to renew the authority conferred on the Directors at last year's annual general meeting to issue Ordinary Shares for cash without complying with the pre-emption rights in the 2006 Act in certain circumstances.

If approved, Resolution 10 will authorise the Directors to issue shares in connection with a rights issue or other similar issue and otherwise to issue shares for cash up to a maximum nominal amount of £552,661.13, which includes the sale on a non pre-emptive basis of any shares the Company may hold in treasury for cash. The maximum nominal amount of equity securities to which this authority relates represents approximately 5% of the issued ordinary share capital of the Company as at the date of this document. If granted, this authority would expire on the earlier of the conclusion of the Company's next annual general meeting and 22 January 2015. The Directors have no present intention of exercising this authority.

The Directors confirm their intention to follow the provisions of the Pre-emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling three year period. The Principles provide that companies should not issue shares for cash representing more than 7.5% of the company's issued share capital in any rolling three year period, other than to existing shareholders, without prior consultation with shareholders.

Resolution 11 – authority to purchase Ordinary Shares

Resolution 11 seeks shareholders' authority for the Company to make market purchases of its own Ordinary Shares. The Directors have no present intention of exercising this authority, but would wish to have the flexibility to do so in the future. Purchases of own Ordinary Shares would only be made through the London Stock Exchange. Any Ordinary Shares purchased would be cancelled (in which case the number of Ordinary Shares in issue would thereby be reduced) or held in treasury, depending on which course of action is considered by the Directors to be in the best interests of the shareholders at that time.

Resolution 11 – authority to purchase Ordinary Shares *continued*

As stated above, the Directors have no present intention of exercising the authority to purchase the Company's Ordinary Shares but will keep the matter under review and will only exercise the authority to make purchases of Ordinary Shares granted by Resolution 11 if they believe that to do so would result in an improvement in earnings per share and/or is in the best interests of the shareholders generally. The maximum number of Ordinary Shares which may be purchased is 22,106,445 representing approximately 10% of the issued Ordinary Shares as at the date of this document. The authority would expire on the earlier of the conclusion of the Company's next annual general meeting and 22 January 2014. The minimum price that could be paid for an Ordinary Share would be the nominal value of such Ordinary Share and the maximum price would be the maximum price permitted by the Financial Conduct Authority's Listing Rules or in case of a tender offer, 5% above average of the middle market quotations for an Ordinary Share, as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the terms of the tender offer are announced, in each case excluding expenses.

As at the date of this document, options over a total of 5,343,642 Ordinary Shares and warrants over a total of 2,000,250 Ordinary Shares were outstanding and not exercised. That number of Ordinary Shares represents approximately 3.32% of the Company's issued ordinary share capital and 3.32% of the Company's total issued ordinary capital as at the same date. It would represent approximately 3.69% of the issued ordinary share capital if the authority to purchase the Company's own Ordinary Shares conferred by Resolution 11 had been exercised in full at that date and the shares so purchased had been cancelled.

Resolution 12 – notice of general meetings

Resolution 12 seeks to renew an authority granted at the Company's last annual general meeting to allow the Company to hold general meetings (other than annual general meetings) on 14 days' notice. Changes made to the 2006 Act by the Companies (Shareholder Rights) Regulations 2009 (**Shareholder Regulations**) increases the notice period for general meetings to 21 days. The Company's articles of association permit the Company to call general meetings (other than an annual general meeting) on 14 clear days' notice. In order to be able to preserve this ability, shareholders must have approved the calling of meetings on 14 days' notice. Resolution 12 seeks such approval. The approval will be effective until the next annual general meeting of the Company, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Shareholder Regulations before it can call a general meeting on 14 days' notice.

Resolution 13 – political donations

Under the 2006 Act, political donations to any political parties, independent election candidates or political organisations or the incurring of political expenditure are prohibited unless authorised by shareholders in advance. What constitutes a political donation, a political party, a political organisation, or political expenditure is not easy to decide, as the 2006 Act is capable of wide interpretation. Sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling political duties and support for bodies representing the business community in policy review or reform, may fall within these terms.

Therefore, notwithstanding that it is the policy of the Company not to make political donations or incur political expenditure and the Company has no present intention of making any political donation or incurring any political expenditure in respect of any political party, political organisation or independent election candidate, the authority granted by Resolution 13 will allow the Company to continue to support the community and put forward its views to wider business and Government interests without running the risk of being in breach of the law. As permitted under the 2006 Act, Resolution 13 covers any political donations made, or political expenditure incurred, by any subsidiaries of the Company.

General

Appendix 1 summarises the main features of the 2013 PSP but does not form part of the 2013 PSP and should not be taken as affecting the interpretation of its detailed terms and conditions. The right is reserved up to the time of the 2013 Annual General Meeting to make such amendments and additions to the rules as are considered necessary or desirable, provided that such amendments and additions do not conflict in any material respect with the summaries as set out in Appendix 1.

Action to be taken

A reply-paid form of proxy for use at the 2013 Annual General Meeting is enclosed. Whether or not you are able to attend the 2013 Annual General Meeting, you are advised to complete, sign, date and return the form of proxy in accordance with the instructions printed on it so as to arrive at the offices of the Company's registrars, Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible but, in any event, no later than 11.00 a.m. on 19 July 2013.

Recommendation

The Board considers that the passing of Resolutions 1 to 13 inclusive is likely to promote the success of the Company and is in the best interests of the Company and of its shareholders as a whole and the Board unanimously recommends that you vote in favour of them, as each of the Directors intends to do in respect of his own beneficial holdings of Ordinary Shares, being approximately 1.653% in aggregate of the Ordinary Shares in issue as at the date of this document.

Yours faithfully

Mark Harper
Chairman

Appendix 1

Summary of the principal features of the 2013 PSP:

Introduction

1. A summary of the main features of the 2013 PSP is set out below, together with details of the way in which the PSP is intended to operate.
2. The 2013 PSP will allow awards to be made as nil-cost options, market value options (either as HMRC approved or non-HMRC approved options) or conditional share awards (**PSP Awards**).

Employee eligibility

3. The PSP will offer selected full time executive directors and employees of the group the opportunity to acquire ordinary shares in the Company.
4. An employee will not be granted an award under the 2013 PSP in the same year as he is granted an option under any other scheme then operated by the Company.

Participation limits

5. The maximum annual value of shares that may be awarded to a participant under the 2013 PSP in respect of any one financial year is 100% of the participant's basic salary other than in circumstances (such as recruitment) where the maximum permitted is 200%.

Shareholder dilution

6. The 2013 PSP contains a limit on the number of new shares to be issued as a result of PSP Awards such that no more than 10% of the issued ordinary share capital of the Company, from time to time, should be outstanding under all share incentive schemes operated by the Company in any rolling ten year period.
7. This limit applies to both awards made under the 2013 PSP and all other employee share schemes operated by the group. Awards which have lapsed are disregarded.
8. The directors will ensure that appropriate policies regarding the timing and amount of awards exist in order to spread the potential issue of new shares over the life of the 2013 PSP.

Making of PSP Awards

9. PSP Awards can only be granted in the period of 42 days following the date on which the PSP is adopted by the Company, following the announcement of the Company's interim or final results, on commencement of employment, or at other times if the Remuneration Committee considers there are exceptional circumstances.
10. No PSP Award may be granted to a participant during a period proscribed for dealings in shares by directors or certain employees of the group whether by the Listing Rules of the United Kingdom Listing Authority or otherwise, except where this is permitted under the Model Code or the Company's own code on insider dealing.
11. A PSP Award will be personal to the participant and not transferable (other than on death when it can be exercised by the participant's personal representatives).
12. No PSP Award can be granted more than ten years after the adoption of the 2013 PSP.

Performance targets

13. At the time of grant of a PSP Award the Remuneration Committee will set performance targets which must be satisfied before the award can vest.
14. Performance targets once set will not be amended unless an event occurs which causes the Remuneration Committee to consider that an amended target would be a fairer measure of performance and is not materially less difficult to satisfy.
15. No re-testing of the performance criteria will occur.
16. The Remuneration Committee's overall policy is to make PSP Awards under the 2013 PSP using performance conditions and target levels which are believed to be stretching and provide value to the participants commensurate with the performance achieved. The policy when deciding on performance measures is to use measures the participants can, by their actions, influence, in order to provide effective motivation. The policy is to make PSP Awards annually and to ensure that the targets are set at the time of award with regard to prevailing conditions and that all the equity incentive arrangements in which an employee participates in a financial year are considered as a whole.
17. It is the intention of the Remuneration Committee that the first PSP Awards will be subject to an Earnings Per Share (**EPS**) target. The target will require a Compound Annual Growth Rate (**CAGR**) in EPS of 30% during the three year performance period, at which point 25% of a PSP Award will vest. PSP Awards then vest on a straight line basis up to 100% for achievement of a CAGR in EPS of 50%. Performance below CAGR in EPS of 30% will result in no PSP Award vesting.

Award price

18. The award price shall be determined by the Remuneration Committee. It is anticipated to be nil except in the case of an award which is an HMRC approved option or where the Company has determined that the option exercise will be satisfied by the issue on vesting of shares directly to the PSP Award holder where the amount payable per share shall not be less than the nominal value of an ordinary share. Flexibility has been retained in the scheme rules to set the award price at any value (for example at the market value of a share) as this may be more tax efficient for employees in overseas territories in which the group operates.

Variation of share capital

19. Upon any variation of the share capital of the Company, whether by way of a capitalisation issue (other than a capitalisation issue in substitution for or as an alternative to a cash dividend), a rights issue or any sub-division, consolidation, reduction or other variation of the Company's share capital, the option price and/or the number of shares comprised in an option may be adjusted in such manner as the Remuneration Committee determines to be fair and reasonable. The Remuneration Committee may seek the advice of auditors in making such adjustments.

Vesting of awards

20. A PSP Award will vest subject to the Remuneration Committee being satisfied that all conditions attaching to it (including performance conditions) have been satisfied, except in the following circumstances:
- a. Where the participant dies the PSP Award will vest subject to the Remuneration Committee having regard to the length of time elapsed from the date of award and the extent to which the performance condition has been met at the date of death. An award constituting an option shall lapse if it has not been exercised within 12 months of the date of death.
 - b. If a participant ceases to be employed by the group for any reason other than death prior to the date on which it would otherwise vest, the PSP Award will lapse unless the Remuneration Committee, in exceptional circumstances, determines otherwise. If the Remuneration Committee decides to use its discretion, the amount of the PSP Award which may vest will be determined by the Remuneration Committee having regard to the length of time elapsed from the date of award and the extent to which the performance condition has been met at the date employment ceased.
 - c. In the event of a change of control PSP Awards extant at that time will vest immediately subject to the Remuneration Committee having regard to the length of time elapsed from the date of award and the extent to which the performance condition has been met at the date of the event.

Pensionability

21. PSP Awards will not be pensionable.

Source of shares

22. The 2013 PSP allows the use of newly issued shares and shares acquired through market purchase.
23. The Company or any subsidiary may provide financial assistance, to the extent permitted by company law, to a person such as a trustee of an employee benefit trust to enable shares to be acquired by the person and held for the purpose of the 2013 PSP.

Amendments to the 2013 PSP

24. The PSP may, at any time be amended (subject first in respect of awards constituting HMRC approved options having obtained prior HMRC approval). However, the provisions in the 2013 PSP relating to:
- a. eligibility to participate in the PSP;
 - b. limits on the number of new shares which may be issued pursuant to the 2013 PSP;
 - c. the maximum entitlement of individual participants under the 2013 PSP;
 - d. the basis for determining a participant's entitlement to benefit under the PSP and the terms of the shares to be provided, and for the adjustment thereof, if any, in the event of an issue or reorganisation; and
 - e. the rules governing amendment of the 2013 PSP,

will not be altered to confer any additional advantage on any participants without the prior approval of shareholders in general meeting (except for minor amendments to benefit the administration of the 2013 PSP, to take account of a change in legislation or to obtain or maintain a favourable tax advantage, exchange control or regulatory treatment for participants, the Company or a member of the group). Additionally, no amendment can be made which would adversely affect the rights of participants without their consent (as if they were a separate class of shareholder).

25. The Company may establish separate plans to operate in overseas territories on substantially the same terms as the PSP, or to make modifications to the 2013 PSP to account for local tax, exchange control or securities laws. Such schemes will be subject to the overall dilution and individual limits.

Renold Plc

Notice of Annual General Meeting

Notice is hereby given that the 2013 Annual General Meeting of Renold plc will be held at 11.00 a.m. on Tuesday 23 July 2013 at Renold House, Styal Road, Wythenshawe, Manchester M22 5WL to consider and, if thought fit, pass the following resolutions.

You will be asked to consider and vote on the Resolutions below. Resolutions 1 to 9 inclusive will be proposed as ordinary resolutions and Resolutions 10 to 13 inclusive will be proposed as special resolutions.

Ordinary business

1. To receive and consider the Company's annual accounts, together with the Directors' report and the Auditors' report for the financial year ended 31 March 2013.
2. To approve the Directors' remuneration report for the financial year ended 31 March 2013.
3. To elect Robert Purcell as a Director of the Company.
4. To re-elect John Allkins (who is retiring by rotation) as a Director of the Company.
5. To re-elect Ian Griffiths (who is retiring by rotation) as a Director of the Company.
6. To re-appoint Ernst & Young LLP as auditors of the Company, to hold office from the conclusion of the meeting until the conclusion of the next meeting at which accounts are laid before the Company.
7. To authorise the Directors to determine the auditor's remuneration.

Special business

8. That the rules of the 2013 PSP, the main features of which are summarised in Appendix 1 to the Chairman's letter to shareholders dated 21 June 2013, in the form (or substantially in the form) of the draft produced to this meeting and initialled by the Chairman hereof for the purposes of identification marked "A", be and are hereby approved and that:
 - a. The Remuneration Committee of the Company be and it is hereby authorised to do all acts and things necessary or expedient to carry the same into effect; and
 - b. The Remuneration Committee be authorised to establish such further plans for the benefit of employees outside the UK based on the PSP subject to such modifications as may be necessary or expedient to take account of local tax, exchange control or securities laws in any one or more overseas territories (provided that any shares made available under such further plans are treated as counting against any limits on individual or overall participation in the PSP).
9. That the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares in the Company (**Allotment Rights**), but so that:
 - a. the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £7,361,446.28, of which:
 - i. one half may be allotted or made the subject of Allotment Rights in any circumstances; and
 - ii. the other half may be allotted or made the subject of Allotment Rights pursuant to any rights issue (as referred to in the Financial Conduct Authority's Listing Rules) or pursuant to any arrangements made for the placing or underwriting or other allocation of any shares or other securities included in, but not taken up under, such rights issue;
 - b. this authority shall expire at the end of the next annual general meeting of the Company or on 22 January 2015, whichever is the earlier;
 - c. the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry; and
 - d. all authorities vested in the Directors on the date of the notice of this meeting to allot shares or to grant Allotment Rights that remain unexercised at the commencement of this meeting are revoked.
10. That the Directors be empowered pursuant to section 570 of the Companies Act 2006, to allot equity securities (as defined in section 560 of that Act), pursuant to the authority conferred on them by Resolution 9 in this notice of meeting or by way of a sale of treasury shares as if section 561 of that Act did not apply to any such allotment, provided that this power is limited to:

- a. the allotment of equity securities in connection with any rights issue or open offer (each as referred to in the Financial Conduct Authority's Listing Rules) or any other pre-emptive offer that is open for acceptance for a period determined by the Directors to the holders of ordinary shares on the register on any fixed record date in proportion to their holdings of ordinary shares (and, if applicable, to the holders of any other class of equity security in accordance with the rights attached to such class), subject in each case to such exclusions or other arrangements as the Directors may deem necessary or appropriate in relation to fractions of such securities, the use of more than one currency for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares, any legal or practical problems in relation to any territory or the requirements of any regulatory body or any stock exchange; and
- b. the allotment of equity securities (other than pursuant to paragraph (a) above) with an aggregate nominal value of £552,661.13,

and shall expire when the authority conferred on the Directors by Resolution 9 in this notice of meeting expires save that, before the expiry of this power, the Company may make any offer or agreement which would or might require equity securities to be allotted after such expiry.

11. That the Company be and is hereby generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006 to make market purchases (as defined in section 693(4) of that Act) of ordinary shares and, where shares are held as treasury shares, to use them, inter alia, for the purposes of employee share plans operated by the Company, provided that:
 - a. the maximum aggregate number of ordinary shares that may be purchased under this authority is 22,106,445;
 - b. the minimum price exclusive of any expenses which may be paid for any ordinary share shall not be less than the nominal value of such ordinary share at the time of the purchase;
 - c. the maximum price (exclusive of expenses) which may be paid for such ordinary shares is the maximum price permitted under the Financial Conduct Authority's Listing Rules or, in the case of a tender offer (as referred to in those rules), 5% above the average of the middle market quotations of the ordinary shares (as derived from the London Stock Exchange's Daily Official List) for the five business days immediately preceding the date on which the terms of the tender offer are announced;
 - d. the authority conferred by this Resolution 11 in this notice of meeting shall expire on the earlier of the conclusion of the Company's next annual general meeting and 22 January 2014; and
 - e. before such expiry the Company may enter into a contract to purchase shares that would or might require a purchase to be completed after such expiry.
12. That a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.
13. That in accordance with sections 366 and 367 of the Companies Act 2006, the Company and all companies which are subsidiaries of the Company at the date on which this Resolution 13 is passed or during the period when this Resolution 10 has effect be generally and unconditionally authorised to:
 - a. make political donations to political parties or independent election candidates not exceeding £50,000 in total;
 - b. make political donations to political organisations other than political parties not exceeding £50,000 in total; and
 - c. incur political expenditure not exceeding £50,000 in total,

(as such terms are defined in the Companies Act 2006) during the period beginning with the date of the passing of this Resolution 10 and ending on the earlier of the conclusion of the Company's next annual general meeting and 22 January 2015, provided that the authorised sum referred to in paragraphs (a), (b) and (c) of this Resolution 13, may be comprised of one or more amounts in different currencies which, for the purpose of calculating the said sum, shall be converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day on which the Company enters into any contract or undertaking in relation to the same provided that, in any event, the aggregate amount of political donations and political expenditure made or incurred by the Company and its subsidiaries pursuant to this Resolution 13 shall not exceed £150,000.

By order of the Board

Louise Brace

Company Secretary

Renold plc

Registered office:

Renold House

Styal Road

Wythenshawe

Manchester

M22 5WL

(Registered in England and Wales with number 249688)

Dated 21 June 2013

Notes

Entitlement to attend and vote

1. The right of a member of the Company to vote at the meeting will be determined by reference to the register of members. A member must be registered on that register as the holder of ordinary shares by 6.00 p.m. on 19 July 2013 (or, in the case of an adjournment, as at 6.00 p.m. on the day two days immediately preceding the day fixed for the adjourned meeting) in order to be entitled to attend and vote at the meeting as a member in respect of those shares. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Appointment of proxies

2. A member who is entitled to attend and vote at the meeting is entitled to appoint another person, or two or more persons in respect of different shares held by him, as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting.
3. A member wishing to attend and vote at the meeting in person should arrive prior to the time fixed for its commencement. A member that is a corporation can only attend and vote at the meeting in person through one or more representatives appointed in accordance with section 323 of the 2006 Act. Any such representative should bring to the meeting written evidence of his appointment, such as a certified copy of a board resolution of, or a letter from, the corporation concerned confirming the appointment. Any member wishing to vote at the meeting without attending in person or (in the case of a corporation) through its duly appointed representative must appoint a proxy to do so. Forms for the appointment of a proxy that can be used for this purpose have been provided to members with this notice of meeting. To be valid, a proxy appointment form must be completed in accordance with the instructions that accompany it and then delivered (together with any power of attorney or other authority under which it is signed, or a certified copy of such item) to the Company's registrars, Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by 11.00 a.m. on 19 July 2013 (or in the case of adjournment, by the time 48 hours before the time appointed for the adjourned meeting). Alternatively, you may vote electronically at www.capitashareportal.com. You will require your username and password to use the portal to log in and vote. If you have not previously registered to use the portal you will require your investor code (IVC) which can be found on your proxy card. Members who hold their shares in uncertificated form may also use the "CREST voting service" to appoint a proxy electronically, as explained below. Appointing a proxy will not prevent a member from attending and voting in person at the meeting should he so wish.
4. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars, Capita Registrars, at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by Capita Registrars no later than 11.00 a.m. on 19 July 2013 (or in the case of an adjournment, by the time 48 hours before the time appointed for the adjourned meeting).

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Appointment of a proxy does not preclude you from attending the 2013 Annual General Meeting and voting in person. If you have appointed a proxy and attend the 2013 Annual General Meeting in person, your proxy appointment will automatically be terminated.

Appointment of proxies through CREST

5. CREST members who wish to appoint one or more proxies through the CREST system may do so by using the procedures described in the "CREST voting service" section of the CREST Manual (www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed one or more voting service providers, should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or a proxy instruction made using the CREST voting service to be valid, the appropriate CREST message (a CREST proxy appointment instruction) must be properly authenticated in accordance with the specifications of CREST's operator, Euroclear UK & Ireland Limited (Euroclear), and must contain all the relevant information required by the CREST Manual. To be valid, the message (regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Capita Registrars (ID RA10), as the Company's "issuer's agent", by 11.00 a.m. on 19 July 2013. After this time any change of instruction to a proxy appointed through the CREST system should be communicated to the appointee through other means. The time of the message's receipt will be taken to be when (as determined by the time stamp applied by the CREST Applications Host) the issuer's agent is first able to retrieve it by enquiry through the CREST system in the prescribed manner. Euroclear does not make available special procedures in the CREST system for transmitting any particular message. Normal system timings and limitations apply in relation to the input of CREST proxy appointment instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or a CREST sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service providers should take into account the provisions of the CREST Manual concerning timings as well as its section on "Practical limitations of the system". In certain circumstances the Company may, in accordance with the Uncertificated Securities Regulations 2001 or the CREST Manual, treat a CREST proxy appointment instruction as invalid.

Questions at the 2013 Annual General Meeting

6. Each member attending the meeting has the right to ask questions relating to the business being dealt with at the 2013 Annual General Meeting which, in accordance with section 319A of the Companies Act 2006 and subject to some exceptions, the Company must cause to be answered.

Website publication of audit concerns

7. It is possible that, pursuant to members' requests made in accordance with section 527 of the 2006 Act, the Company will be required to publish on a website a statement in accordance with section 528 of the 2006 Act setting out any matter that the members concerned propose to raise at the 2013 Annual General Meeting relating to the audit of the Company's latest audited accounts. The Company cannot require the members concerned to pay its expenses in complying with those sections. The Company must forward any such statement to its auditors by the time it makes the statement available on the website. The business which may be dealt with at the meeting includes any such statement.

Communication

8. Except as provided above, members who have general queries about the 2013 Annual General Meeting should call our shareholder helpline on +44 (0)161 498 4500 (no other methods of communication will be accepted). A member may not use any electronic address provided by the Company in this document or with any proxy appointment form or in any website for communicating with the Company for any purpose in relation to the meeting other than as expressly stated in it.

Nominated persons

9. Any person to whom this notice is sent who is currently nominated by a member of the Company to enjoy information rights under section 146 of the 2006 Act (a nominated person) may have a right under an agreement between him and such member to be appointed, or to have someone else appointed, as a proxy for the meeting. If a nominated person has no such right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member concerned as to the exercise of voting rights. The statement in note 2 above of the rights of a member in relation to the appointment of proxies does not apply to a nominated person. Such rights can only be exercised by the member concerned.

Issued shares and total voting rights

10. As at the date of this document, the Company's issued share capital consists of 221,064,453 Ordinary Shares, all carrying one vote each, 580,482 units of cumulative preference stock of £1 each carrying no voting rights and 77,064,793 deferred shares of 20p each carrying no voting rights. The Company does not hold any shares in treasury. Accordingly, the total voting rights in the Company are 221,064,453 Ordinary Shares.

Documents on display

11. Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours (Saturdays, Sundays and public holidays in the UK excepted) from the date of this notice until the conclusion of the 2013 Annual General Meeting:
 - a. the Executive Directors' service agreements;
 - b. the terms and conditions of appointment of the Non-Executive Directors of the Company; and
 - c. the rules of the 2013 PSP.

Website giving information regarding the 2013 Annual General Meeting

12. Information regarding the 2013 Annual General Meeting, including the information required by section 311A of the 2006 Act, is available at www.renold.com.

Annex

Biographical details of Directors submitted for election/re-election

Robert Purcell

Chief Executive

Robert, aged 51, joined the Company on 21 January 2013 as Chief Executive following the retirement of Robert Davies. Prior to this, Robert was Managing Director of Filtrona plc's Protection and Finishing Product Division. He has also held a Managing Director role at Low and Bonar plc within its technical textiles business. His early career was in operational management within Courtaulds plc, during which time he gained an MBA from the Cranfield School of Management.

John Allkins

Senior Independent Non-Executive Director

John, aged 63, was appointed to the Board and to the chair of the Audit Committee in April 2008 and became the Senior Independent Non-Executive Director on 21 January 2013. John brings strong relevant technical experience to the role having served as the finance director of the publicly quoted companies MyTravel Group plc and Equant NV. He is also a Non-Executive Director of Fairpoint Group plc, Punch Taverns plc and Nobina SA and was previously a Non-Executive Director of Intec Telecom Systems plc, Molins plc, Albemarle & Bond Holdings plc and Linpac Senior Holdings Limited. John is a fellow of the Chartered Institute of Management Accountants.

Ian Griffiths

Non-Executive Director

Ian, aged 62, was appointed to the Board in January 2010 and to the chair of the Remuneration Committee in November 2010. His appointment to both was extended in January 2013. He was previously Managing Director of Royal Mail Letters and a Director of Royal Mail Holdings plc. He has also been a Non-Executive Director of Ultra Electronics Holdings plc and held Executive Director roles at GKN plc and GKN Holdings plc where he was Group Managing Director, GKN Automotive.

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