

Essentra PLC

24 November 2016

Further to the announcement dated 31 October 2016, Essentra PLC (the "Company") confirms that Colin Day will stand down as Chief Executive with effect from 31 December 2016, and will retire from the Board and the Company following the Company's 2016 Annual General Meeting ("AGM") on 20 April 2017.

The following information is provided in accordance with section 430(2B) of the Companies Act 2006 and relates to remuneration payments to be made to Colin Day prior to and following his retirement.

The payments have been determined by the Remuneration Committee taking into account Colin Day's contractual entitlements, rules of the Company's incentive plans and the provisions of the Company's Remuneration Policy Report (the "Policy") as approved by shareholders at the 2015 AGM. The Remuneration Committee has carefully considered the circumstances of Colin Day's departure including his intention of focusing increasingly on Non-Executive activities, as well as his key role in ensuring a smooth transition to his successor. These circumstances provided the background to the Remuneration Committee's decisions detailed below, in particular its decision that Colin Day should be treated as a good leaver for the purposes of the Company's incentive arrangements.

Payments up to the date of retirement and in lieu of notice

Colin Day's contractual notice period will begin on 31 December 2016 and he will receive his normal base salary (£675,000 p.a.) and his normal contractual benefits up to the date of his retirement on 20 April 2017.

Following the retirement date, the Company will exercise its discretion to make a payment in lieu of notice ('PILON') of £599,911 in respect of the remainder of Colin Day's notice period. The PILON payment is based on salary and the value of benefits and will be made as a single payment. A payment in respect of any accrued holiday untaken will also be made as soon as practicable following retirement.

Annual bonus

Colin Day will be eligible for an annual bonus in respect of the 2016 and 2017 financial years based on performance targets set by the Remuneration Committee at the start of the relevant year. Any bonus earned in respect of the 2017 financial year will be calculated on a time pro-rated basis reflecting the proportion of the year that Colin Day is employed by the Company. Any bonus due to Colin Day in respect of the 2016 and 2017 financial years will be paid in cash. Payment will be at the normal payment date following the end of the relevant year.

Outstanding share awards

Colin Day's outstanding share incentives will be treated in accordance with the rules of the applicable plans and will remain subject to the terms contained therein.

Deferred Annual Share Bonus (DASB): Colin Day holds outstanding DASB awards granted in 2014, 2015 and 2016 which relate to annual bonuses earned in respect of performance in 2013, 2014 and 2015 respectively. The 2014 awards (including dividend equivalents) will vest as originally scheduled in March 2017 and the Remuneration Committee has determined that the 2015 and 2016 awards (including dividend equivalents) should vest upon Colin Day's retirement in April 2017. This is consistent with the good leaver treatment for DASB awards in the Company's Policy.

LTIP B: Colin Day holds outstanding LTIP B awards granted in 2014, 2015 and 2016. The 2014 awards (including dividend equivalents) will vest, subject to performance, as originally scheduled in February 2017. The Remuneration Committee has determined that the 2015 and 2016 awards (including dividend equivalents) will vest on their normal vesting date (three years from the date of grant) on a time pro-rated basis (reflecting the proportion of the three year vesting period that Colin Day is employed by Essentra) and subject to EPS and relative Total Shareholder Return performance conditions assessed over the full three-year performance period for each award. This is consistent with the good leaver treatment for LTIP B awards in the Company's Policy. Colin Day will not be granted a LTIP B award during 2017.

Save As You Earn (SAYE): Colin Day's outstanding options held under the SAYE scheme will be exercisable upon retirement in accordance with the rules of the plan.