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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2019</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                              |                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                | <b>Annual Report Identification Information</b><br>For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>                                                                                                                                                                               |
| <b>A</b> This return/report is for:                                          | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) ____ |
| <b>B</b> This return/report is:                                              | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                     |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . . ▶ | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                  |
| <b>D</b> Check box if filing under:                                          | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                    |

|                                                                                                                                                                                                                                                                                                                                                                  |                                                                |                                                                     |                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------|
| <b>Part II</b>                                                                                                                                                                                                                                                                                                                                                   | <b>Basic Plan Information</b> —enter all requested information |                                                                     |                                                                  |
| <b>1a</b> Name of plan<br><br><u>WOODWARD HRT PENSION PLAN</u>                                                                                                                                                                                                                                                                                                   | <b>1b</b> Three-digit plan number (PN) ▶                       | <u>006</u>                                                          |                                                                  |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><br><u>WOODWARD, INC.</u><br><br><u>1081 WOODWARD WAY</u><br><u>FORT COLLINS, CO 80524-1519</u> | <b>1c</b> Effective date of plan<br><u>04/03/2009</u>          | <b>2b</b> Employer Identification Number (EIN)<br><u>36-1984010</u> | <b>2c</b> Plan Sponsor's telephone number<br><u>970-498-3212</u> |
|                                                                                                                                                                                                                                                                                                                                                                  |                                                                | <b>2d</b> Business code (see instructions)<br><u>339900</u>         |                                                                  |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                  |                                                   |                   |                                                              |
|------------------|---------------------------------------------------|-------------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | <u>10/09/2020</u> | <u>PHOEBE LARSON</u>                                         |
|                  | Signature of plan administrator                   | Date              | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |                   |                                                              |
|                  | Signature of employer/plan sponsor                | Date              | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |                   |                                                              |
|                  | Signature of DFE                                  | Date              | Enter name of individual signing as DFE                      |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2019)  
v. 190130

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>3b</b> Administrator's EIN<br><br><b>3c</b> Administrator's telephone number<br><br><div style="background-color: #cccccc; height: 40px; width: 100%;"></div> |
| <b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>5</b> 720                                                                                                                                                     |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).<br><br><b>a(1)</b> Total number of active participants at the beginning of the plan year .....<br><b>a(2)</b> Total number of active participants at the end of the plan year .....<br><br><b>b</b> Retired or separated participants receiving benefits.....<br><b>c</b> Other retired or separated participants entitled to future benefits .....<br><b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....<br><b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....<br><b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....<br><br><b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....<br><br><b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested ..... | <b>6a(1)</b> 388<br><b>6a(2)</b> 368<br><b>6b</b> 239<br><b>6c</b> 93<br><b>6d</b> 700<br><b>6e</b> 19<br><b>6f</b> 719<br><br><b>6g</b><br><br><b>6h</b> 0      |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>7</b>                                                                                                                                                         |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A 1D

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

|                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br><b>(1)</b> <input type="checkbox"/> Insurance<br><b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br><b>(3)</b> <input checked="" type="checkbox"/> Trust<br><b>(4)</b> <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br><b>(1)</b> <input type="checkbox"/> Insurance<br><b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br><b>(3)</b> <input checked="" type="checkbox"/> Trust<br><b>(4)</b> <input type="checkbox"/> General assets of the sponsor |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2019</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>WOODWARD HRT PENSION PLAN</u>                                                                                 | <b>B</b> Three-digit plan number (PN) ▶ <u>006</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>WOODWARD, INC.</u>                                         | <b>D</b> Employer Identification Number (EIN)<br><u>36-1984010</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|                                                                                                                                                                                                                |                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                                                                                                                                  | <b>Basic Information</b>                                                      |
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2019</u>                                                                                                                              |                                                                               |
| <b>2</b> Assets:                                                                                                                                                                                               |                                                                               |
| <b>a</b> Market value .....                                                                                                                                                                                    | <b>2a</b> <u>126435788</u>                                                    |
| <b>b</b> Actuarial value .....                                                                                                                                                                                 | <b>2b</b> <u>132267596</u>                                                    |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                            | (1) Number of participants (2) Vested Funding Target (3) Total Funding Target |
| <b>a</b> For retired participants and beneficiaries receiving payment.....                                                                                                                                     | <u>241</u> <u>52397386</u> <u>52397386</u>                                    |
| <b>b</b> For terminated vested participants.....                                                                                                                                                               | <u>97</u> <u>7911656</u> <u>7911656</u>                                       |
| <b>c</b> For active participants .....                                                                                                                                                                         | <u>388</u> <u>47341726</u> <u>48086880</u>                                    |
| <b>d</b> Total.....                                                                                                                                                                                            | <u>726</u> <u>107650768</u> <u>108395922</u>                                  |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                          |                                                                               |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                      | <b>4a</b>                                                                     |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor..... | <b>4b</b>                                                                     |
| <b>5</b> Effective interest rate .....                                                                                                                                                                         | <b>5</b> <u>5.53</u> %                                                        |
| <b>6</b> Target normal cost.....                                                                                                                                                                               | <b>6</b> <u>1497836</u>                                                       |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                        |                                        |
|------------------------------------------------------------------------|----------------------------------------|
| <b>SIGN HERE</b>                                                       |                                        |
| Signature of actuary                                                   | <u>09/29/2020</u>                      |
| <u>TREVOR A FUHRMAN</u>                                                | Date                                   |
| Type or print name of actuary                                          | <u>20-07770</u>                        |
| <u>WILLIS TOWERS WATSON US LLC</u>                                     | Most recent enrollment number          |
| Firm name                                                              | <u>303-391-1200</u>                    |
| <u>555 17TH STREET</u><br><u>SUITE 2050</u><br><u>DENVER, CO 80202</u> | Telephone number (including area code) |
| Address of the firm                                                    |                                        |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.**

**Schedule SB (Form 5500) 2019**  
**v. 190130**

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                      | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                             |                       | 10128452               |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                          |                       |                        |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                                |                       | 10128452               |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>-7.38</u> % .....                                                                                |                       | -747480                |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                       |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                      |                       |                        |
| <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.70</u> % ..... |                       | 0                      |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                 |                       |                        |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                        |                       |                        |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                      |                       |                        |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                    |                       |                        |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                         |                       | 9380972                |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 113.36 % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 122.02 % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 116.41 % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %        |

**Part IV Contributions and Liquidity Shortfalls****18** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
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|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ▶</b>          |                                   |                                 | <b>18(b)</b>             |                                   | <b>18(c)</b>                    |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |  |
|-------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                    | <b>19a</b> |  |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> |  |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> |  |

**20** Quarterly contributions and liquidity shortfalls:

**a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

**c** If line 20a is "Yes," see instructions and complete the following table as applicable:

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
|                                                            |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost****21** Discount rate:**a** Segment rates:1st segment:  
3.74 %2nd segment:  
5.35 %3rd segment:  
6.11 %☐ N/A, full yield curve used**b** Applicable month (enter code) .....**21b****22** Weighted average retirement age .....**22**

63

**23** Mortality table(s) (see instructions) .....☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. .... ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. .... ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment. ....**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years .....**28****29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) .....**29****30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....**30****Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) .....**31a**

1497836

**b** Excess assets, if applicable, but not greater than line 31a .....**31b**

1497836

**32** Amortization installments:

Outstanding Balance

Installment

**a** Net shortfall amortization installment .....**b** Waiver amortization installment .....**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_) and the waived amount .....**33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) .....**34**

Carryover balance

Prefunding balance

Total balance

**35** Balances elected for use to offset funding requirement .....**36** Additional cash requirement (line 34 minus line 35) .....**36****37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....**37****38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) .....**38a**

0

**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....**38b****39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....**39****40** Unpaid minimum required contributions for all years .....**40**

0

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ..... ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ..... ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             |                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> | OMB No. 1210-0110                       |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | 2019                                    |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | This Form is Open to Public Inspection. |

|                                                                                            |                                                      |     |
|--------------------------------------------------------------------------------------------|------------------------------------------------------|-----|
| For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019 |                                                      |     |
| A Name of plan<br>WOODWARD HRT PENSION PLAN                                                | B Three-digit plan number (PN) ▶                     | 006 |
|                                                                                            |                                                      |     |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>WOODWARD, INC.                   | D Employer Identification Number (EIN)<br>36-1984010 |     |

|        |                                                 |
|--------|-------------------------------------------------|
| Part I | Service Provider Information (see instructions) |
|--------|-------------------------------------------------|

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                            |
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                            |
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                            |
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

VANGUARD FIDUCIARY TRUST

23-2186884

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 13                     | TRUSTEE                                                                                           | 44929                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

WILLIS TOWERS WATSON US LLC

86-0181291

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 11                     | ACTUARY                                                                                           | 44020                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

BENNING GROUP, LLC

30-0003878

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 10                     | AUDITOR                                                                                           | 21050                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

DIMEO SCHNEIDER & ASSOCIATES LLC

36-4001764

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27                     | INVESTMENT ADVISOR                                                                                | 22500                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

WILSON SONSINI GOODRICH & ROSATI

94-2451946

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 29                     | ATTORNEY                                                                                          | 1886                                                                   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

MILLIMAN

91-0675641

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 15                     | RECORDKEEPER                                                                                      | 70971                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**Part I Service Provider Information (continued)**

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |

**Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                                                  |                     |            |
|--------------------|--------------------------------------------------|---------------------|------------|
| <b>a</b> Name:     | CARL CRUZAN                                      | <b>b</b> EIN:       | 53-0181291 |
| <b>c</b> Position: | ACTUARY                                          |                     |            |
| <b>d</b> Address:  | 101 S HANLEY RD, STE. 900<br>ST. LOUIS, MO 63105 | <b>e</b> Telephone: |            |

Explanation: REASSIGNMENT OF WORK WITHIN WILLIS TOWERS WATSON

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2019</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2019 or fiscal plan year beginning <b>01/01/2019</b> and ending <b>12/31/2019</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><b>WOODWARD HRT PENSION PLAN</b>                                                                                                                                                                                                                | <b>B</b> Three-digit plan number (PN) <b>►</b>                                                                                                                                                                                                                               | <b>006</b>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>WOODWARD, INC.</b>                                                                                                                                                                                   | <b>D</b> Employer Identification Number (EIN)<br><b>36-1984010</b>                                                                                                                                                                                                           |                                                                                           |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement                                                              |                 | (a) Beginning of Year | (b) End of Year |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                                                                                            |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Assets</b>                                                                              |                 |                       |                 |
| <b>a</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Total noninterest-bearing cash .....                                                       | <b>1a</b>       | 999831                | 833315          |
| <b>b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Receivables (less allowance for doubtful accounts):                                        |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (1) Employer contributions.....                                                            | <b>1b(1)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (2) Participant contributions.....                                                         | <b>1b(2)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (3) Other.....                                                                             | <b>1b(3)</b>    |                       |                 |
| <b>c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | General investments:                                                                       |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (1) Interest-bearing cash (include money market accounts & certificates of deposit).....   | <b>1c(1)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (2) U.S. Government securities .....                                                       | <b>1c(2)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (3) Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (A) Preferred .....                                                                        | <b>1c(3)(A)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (B) All other.....                                                                         | <b>1c(3)(B)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (4) Corporate stocks (other than employer securities):                                     |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (A) Preferred .....                                                                        | <b>1c(4)(A)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (B) Common.....                                                                            | <b>1c(4)(B)</b> |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (5) Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (6) Real estate (other than employer real property).....                                   | <b>1c(6)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (7) Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (8) Participant loans.....                                                                 | <b>1c(8)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (9) Value of interest in common/collective trusts .....                                    | <b>1c(9)</b>    |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (10) Value of interest in pooled separate accounts .....                                   | <b>1c(10)</b>   |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (11) Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (12) Value of interest in 103-12 investment entities.....                                  | <b>1c(12)</b>   |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (13) Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 125435957             | 154792555       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (14) Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (15) Other.....                                                                            | <b>1c(15)</b>   |                       |                 |

|                    |                                                                  | (a) Beginning of Year | (b) End of Year     |
|--------------------|------------------------------------------------------------------|-----------------------|---------------------|
| <b>1d</b>          | Employer-related investments:                                    |                       |                     |
| (1)                | Employer securities .....                                        | <b>1d(1)</b>          |                     |
| (2)                | Employer real property .....                                     | <b>1d(2)</b>          |                     |
| <b>e</b>           | Buildings and other property used in plan operation .....        | <b>1e</b>             |                     |
| <b>f</b>           | Total assets (add all amounts in lines 1a through 1e) .....      | <b>1f</b>             | 126435788 155625870 |
| <b>Liabilities</b> |                                                                  |                       |                     |
| <b>g</b>           | Benefit claims payable .....                                     | <b>1g</b>             |                     |
| <b>h</b>           | Operating payables .....                                         | <b>1h</b>             | 19146 33420         |
| <b>i</b>           | Acquisition indebtedness .....                                   | <b>1i</b>             |                     |
| <b>j</b>           | Other liabilities .....                                          | <b>1j</b>             |                     |
| <b>k</b>           | Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b>             | 19146 33420         |
| <b>Net Assets</b>  |                                                                  |                       |                     |
| <b>l</b>           | Net assets (subtract line 1k from line 1f) .....                 | <b>1l</b>             | 126416642 155592450 |

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

|          |                                                                                                        | (a) Amount      | (b) Total |
|----------|--------------------------------------------------------------------------------------------------------|-----------------|-----------|
| <b>a</b> | <b>Contributions:</b>                                                                                  |                 |           |
| (1)      | Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> |           |
|          | <b>(B)</b> Participants .....                                                                          | <b>2a(1)(B)</b> |           |
|          | <b>(C)</b> Others (including rollovers) .....                                                          | <b>2a(1)(C)</b> | 28636     |
| (2)      | Noncash contributions .....                                                                            | <b>2a(2)</b>    |           |
| (3)      | Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    | 28636     |
| <b>b</b> | <b>Earnings on investments:</b>                                                                        |                 |           |
| (1)      | Interest:                                                                                              |                 |           |
|          | <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....   | <b>2b(1)(A)</b> |           |
|          | <b>(B)</b> U.S. Government securities .....                                                            | <b>2b(1)(B)</b> |           |
|          | <b>(C)</b> Corporate debt instruments .....                                                            | <b>2b(1)(C)</b> |           |
|          | <b>(D)</b> Loans (other than to participants) .....                                                    | <b>2b(1)(D)</b> |           |
|          | <b>(E)</b> Participant loans .....                                                                     | <b>2b(1)(E)</b> |           |
|          | <b>(F)</b> Other .....                                                                                 | <b>2b(1)(F)</b> |           |
|          | <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                          | <b>2b(1)(G)</b> |           |
| (2)      | Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |           |
|          | <b>(B)</b> Common stock .....                                                                          | <b>2b(2)(B)</b> |           |
|          | <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                              | <b>2b(2)(C)</b> | 4118974   |
|          | <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....              | <b>2b(2)(D)</b> | 4118974   |
| (3)      | Rents .....                                                                                            | <b>2b(3)</b>    |           |
| (4)      | Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |           |
|          | <b>(B)</b> Aggregate carrying amount (see instructions) .....                                          | <b>2b(4)(B)</b> |           |
|          | <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....              | <b>2b(4)(C)</b> |           |
| (5)      | Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |           |
|          | <b>(B)</b> Other .....                                                                                 | <b>2b(5)(B)</b> |           |
|          | <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....     | <b>2b(5)(C)</b> |           |

|                                                                                                 |        | (a) Amount | (b) Total |
|-------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                              | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) ..... | 2b(10) |            | 29919750  |
| c Other income .....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | 2d     |            | 34067360  |

**Expenses**

|                                                                                      |       |         |         |
|--------------------------------------------------------------------------------------|-------|---------|---------|
| e Benefit payment and payments to provide benefits:                                  |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers .....      | 2e(1) | 4628596 |         |
| (2) To insurance carriers for the provision of benefits .....                        | 2e(2) |         |         |
| (3) Other .....                                                                      | 2e(3) |         |         |
| (4) Total benefit payments. Add lines 2e(1) through (3) .....                        | 2e(4) |         | 4628596 |
| f Corrective distributions (see instructions) .....                                  | 2f    |         |         |
| g Certain deemed distributions of participant loans (see instructions) .....         | 2g    |         |         |
| h Interest expense .....                                                             | 2h    |         |         |
| i Administrative expenses: (1) Professional fees .....                               | 2i(1) | 137927  |         |
| (2) Contract administrator fees .....                                                | 2i(2) | 44929   |         |
| (3) Investment advisory and management fees .....                                    | 2i(3) | 22500   |         |
| (4) Other .....                                                                      | 2i(4) | 57600   |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                 | 2i(5) |         | 262956  |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total ..... | 2j    |         | 4891552 |

**Net Income and Reconciliation**

|                                                          |       |  |          |
|----------------------------------------------------------|-------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 29175808 |
| l Transfers of assets:                                   |       |  |          |
| (1) To this plan .....                                   | 2l(1) |  |          |
| (2) From this plan .....                                 | 2l(2) |  |          |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BENNING GROUP, LLC

(2) EIN: 30-0003878

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) .....

**b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) .....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                               | Yes | No | Amount   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                          |     |    |          |
| <b>4c</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....                                |     |    |          |
| <b>4d</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | X   |    | 20000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       |     | X  |          |
| <b>4f</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....                                                     |     |    |          |
| <b>4g</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....                                           |     |    |          |
| <b>4h</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | X   |    |          |
| <b>4i</b>                                                                                                                                                                                                                     | X   |    |          |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) ..... | X   |    |          |
| <b>4j</b>                                                                                                                                                                                                                     | X   |    |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           |     | X  |          |
| <b>4k</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan?.....                                                                                                                                             |     | X  |          |
| <b>4l</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  |     | X  |          |
| <b>4m</b>                                                                                                                                                                                                                     |     | X  |          |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                      |     |    |          |
| <b>4n</b>                                                                                                                                                                                                                     |     |    |          |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No  
If "Yes," enter the amount of any plan assets that reverted to the employer this year \_\_\_\_\_.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☒ Yes ☐ No ☐ Not determined  
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4239780. (See instructions.)

|                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div>                                                                                                                                 | <div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2019</div> <div>This Form is Open to Public Inspection.</div> |
| For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| A Name of plan<br>WOODWARD HRT PENSION PLAN                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                  | B Three-digit plan number (PN) ▶ 006                                                            |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>WOODWARD, INC.                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                  | D Employer Identification Number (EIN)<br>36-1984010                                            |
| Part I                                                                                                                                                                                                                                                                                                                                                          | Distributions                                                                                                                                                                                                                                                                                    |                                                                                                 |
| All references to distributions relate only to payments of benefits during the plan year.                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  | 1                                                                                               |
| 2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): 23-2926795                                                                                                            |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  | 3 0                                                                                             |
| Part II                                                                                                                                                                                                                                                                                                                                                         | Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)                                                                                                                           |                                                                                                 |
| 4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A<br>If the plan is a defined benefit plan, go to line 8.                                                                                                |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month Day Year<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.                              |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                  | 6a                                                                                              |
| b Enter the amount contributed by the employer to the plan for this plan year                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  | 6b                                                                                              |
| c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  | 6c                                                                                              |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 7 Will the minimum funding amount reported on line 6c be met by the funding deadline? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part III                                                                                                                                                                                                                                                                                                                                                        | Amendments                                                                                                                                                                                                                                                                                       |                                                                                                 |
| 9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. <input type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> Both <input checked="" type="checkbox"/> No        |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part IV                                                                                                                                                                                                                                                                                                                                                         | ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.                                                                                                                                                       |                                                                                                 |
| 10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 11 a Does the ESOP hold any preferred stock? <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                        |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 12 Does the ESOP hold any stock that is not readily tradable on an established securities market? <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| For Paperwork Reduction Act Notice, see the Instructions for Form 5500.                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Schedule R (Form 5500) 2019 v. 190130                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                  |                                                                                                 |

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

**a** The current year .....

**b** The plan year immediately preceding the current plan year .....

**c** The second preceding plan year .....

**14a****14b****14c**

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

**a** The corresponding number for the plan year immediately preceding the current plan year .....

**b** The corresponding number for the second preceding plan year .....

**15a****15b**

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

**a** Enter the number of employers who withdrew during the preceding plan year .....

**b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers .....

**16a****16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment .... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): \_\_\_\_\_

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

- a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

- b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation \_\_\_\_\_

**WOODWARD  
HRT PENSION PLAN**

Financial Statements and  
Supplemental Schedules

December 31, 2019 and 2018

(With Independent Auditor's Report Thereon)

**WOODWARD  
HRT PENSION PLAN**

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# BENNING GROUP, LLC

CERTIFIED PUBLIC ACCOUNTANTS

www.BenningGroup.com

## Independent Auditor's Report

The Plan Administrator  
Woodward HRT Pension Plan

### Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Woodward HRT Pension Plan (Plan) as listed in the accompanying table of contents, as of December 31, 2019 and 2018 and for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2019 and 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

50 W. Douglas Street, Suite 801  
Freeport, Illinois 61032  
(815) 235-3157  
Fax (815) 235-3158

6815 Weaver Road, Suite 300  
Rockford, Illinois 61114  
(815) 316-2375  
Fax (815) 316-2389

1809 10th Street  
Monroe, Wisconsin 53566  
(608) 325-5035  
Fax (608) 328-2843

## **Disclaimer of Opinion**

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

## **Other Matter – Supplemental Schedules**

The supplemental schedules, as listed in the accompanying table of contents, as of or for the year ended December 31, 2019, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

## **Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Benning Group, LLC". The signature is written in a cursive, flowing style.

Rockford, Illinois  
September 23, 2020

**WOODWARD  
HRT PENSION PLAN**

Statements of Net Assets Available for Benefits

December 31, 2019 and 2018

|                                   | <u>2019</u>           | <u>2018</u>        |
|-----------------------------------|-----------------------|--------------------|
| Assets:                           |                       |                    |
| Cash                              | \$ 833,315            | 999,831            |
| Investments at fair value         | <u>154,792,555</u>    | <u>125,435,957</u> |
| Total assets                      | 155,625,870           | 126,435,788        |
| Liabilities –                     |                       |                    |
| Accrued administrative expenses   | <u>33,420</u>         | <u>19,146</u>      |
| Net assets available for benefits | \$ <u>155,592,450</u> | <u>126,416,642</u> |

See accompanying notes to financial statements.

**WOODWARD  
HRT PENSION PLAN**

Statements of Changes in Net Assets Available for Benefits  
For the Years Ended December 31, 2019 and 2018

|                                                          | <u>2019</u>           | <u>2018</u>        |
|----------------------------------------------------------|-----------------------|--------------------|
| <b>Additions to net assets attributed to:</b>            |                       |                    |
| Investment income:                                       |                       |                    |
| Net appreciation in fair value of investments            | \$ 29,919,750         | —                  |
| Interest and dividends                                   | <u>4,118,974</u>      | <u>4,868,873</u>   |
| Net investment income                                    | 34,038,724            | 4,868,873          |
| Employer contributions                                   | —                     | —                  |
| Transfers in                                             | <u>28,636</u>         | <u>33,362</u>      |
| Total additions                                          | <u>34,067,360</u>     | <u>4,902,235</u>   |
| <b>Deductions from net assets attributed to:</b>         |                       |                    |
| Net depreciation in fair value of investments            | —                     | 15,127,671         |
| Benefits paid to participants                            | 4,628,596             | 4,315,299          |
| Administrative expenses                                  | <u>262,956</u>        | <u>251,561</u>     |
| Total deductions                                         | <u>4,891,552</u>      | <u>19,694,531</u>  |
| Increase (decrease) in net assets available for benefits | 29,175,808            | (14,792,296)       |
| <b>Net assets available for benefits:</b>                |                       |                    |
| Beginning of year                                        | <u>126,416,642</u>    | <u>141,208,938</u> |
| End of year                                              | \$ <u>155,592,450</u> | <u>126,416,642</u> |

See accompanying notes to the financial statements.

**WOODWARD**  
**HRT PENSION PLAN**  
**Statements of Accumulated Plan Benefits**  
**January 1, 2019 and 2018**

|                                                                   | <u>2019</u>              | <u>2018</u>           |
|-------------------------------------------------------------------|--------------------------|-----------------------|
| Actuarial present value of accumulated plan benefits:             |                          |                       |
| Vested benefits:                                                  |                          |                       |
| Participants currently receiving benefits                         | \$ 43,318,961            | 44,632,449            |
| Other participants                                                | <u>44,216,645</u>        | <u>39,463,471</u>     |
|                                                                   | 87,535,606               | 84,095,920            |
| Nonvested benefits                                                | <u>1,389,466</u>         | <u>1,638,764</u>      |
| <br>Total actuarial present value of<br>accumulated plan benefits | <br>\$ <u>88,925,072</u> | <br><u>85,734,684</u> |

See accompanying notes to the financial statements.

**WOODWARD  
HRT PENSION PLAN**

Statements of Changes in Accumulated Plan Benefits

For the Years Ended January 1, 2019 and 2018

|                                                                                          | <u>2019</u>              | <u>2018</u>           |
|------------------------------------------------------------------------------------------|--------------------------|-----------------------|
| Actuarial present value of accumulated plan benefits<br>at the beginning of the year     | \$ 85,734,684            | 84,149,831            |
| Increase during the year attributable to:                                                |                          |                       |
| Net benefits accumulated                                                                 | 853,548                  | 805,260               |
| Actuarial (gains) losses                                                                 | 502,098                  | (218,615)             |
| Increase for interest due to decrease in the<br>discount period                          | 6,332,294                | 6,231,052             |
| Benefits paid                                                                            | (4,315,299)              | (3,748,802)           |
| Plan amendment                                                                           | —                        | 1,662,976             |
| Change in actuarial assumptions                                                          | <u>(182,253)</u>         | <u>(3,147,018)</u>    |
| Net increase                                                                             | <u>3,190,388</u>         | <u>1,584,853</u>      |
| <br>Total actuarial present value of accumulated<br>plan benefits at the end of the year | <br>\$ <u>88,925,072</u> | <br><u>85,734,684</u> |

See accompanying notes to the financial statements.

# **WOODWARD HRT PENSION PLAN**

Notes to Financial Statements

December 31, 2019 and 2018

## **(1) Description of Plan**

The following description of the Woodward HRT Pension Plan (Plan or Pension Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

### ***(a) General***

Effective February 27, 2009, Woodward, Inc. (Company) entered into an agreement with Textron, Inc. for the purchase, among other things, of the stock of HR Textron Inc. (HRT). In the agreement, the Company agreed to establish a tax-qualified defined benefit plan to provide benefits for, and assume the liabilities and assets attributable to, salaried employees, non-bargained hourly employees and those hourly employees covered by a collective bargaining agreement with the Union who were employed by HRT on April 3, 2009 and were participating in the Textron Master Retirement Plan as of such date. The HRT Pension Plan consists of the Master Provisions and Addendum A and B. Each addendum reflects a separate benefit structure applicable to participants covered by the addendum.

Addendum A reflects the portion of the Plan that contains provisions specific to the salaried and non-bargained hourly employees. Participants under the benefit structure of Addendum A are also automatically participants of the Woodward HRT Retirement Account Plan (RAP), a defined contribution plan in which the Company makes a contribution of 2% of eligible compensation on behalf of the participants each payroll period beginning on or after April 3, 2009. The RAP and the Pension Plan together are the Woodward HRT Retirement Program, which is designed to be a "floor-offset" arrangement. The Pension Plan formula that guarantees a minimum pension is called the "floor benefit". If the participant's RAP account balance, converted to a monthly single-life annuity, is more valuable than the floor benefit, participants receive their RAP account balance. If the participant's RAP account balance, converted to a monthly single-life annuity, is less valuable than the floor benefit, participants receive the floor benefit. The benefit from the RAP and the Pension Plan together will always be the greater of (a) the floor benefit or (b) the value in participant's account in the RAP.

Addendum B reflects the portion of the Plan that contains provisions specific to the employees who are for purposes of collective bargaining, represented by the Union. These employees are not participants in the RAP identified above.

Effective December 31, 2014, the Plan was amended to freeze future accruals for participants eligible under Addendum A.

## **WOODWARD HRT PENSION PLAN**

### **Notes to Financial Statements**

Effective July 22, 2016, the Company amended the Plan to permit a special distribution election allowing a participant who satisfies certain requirements to elect an immediate distribution of his or her fully vested retirement pension benefits without regard to age or vesting service for purposes of retirement pension benefit eligibility. The Company made a lump-sum offering to participants between July 22 and August 22, 2016, resulting in distribution payments totaling approximately \$4,217,000.

#### ***(b) Pension Benefits***

##### Addendum A

The monthly normal retirement pension available to a participant covered under Addendum A is the greater of the "floor benefit", which is (a) 1 1/3% of the participant's final average compensation multiplied by their credited service earned after December 31, 2006, (b) a minimum monthly benefit based on \$50 times the credited service earned after December 31, 2006 (but no more than five years of service), or (c) the value of their account balance in the RAP. Participants receiving an early or vested retirement pension before age 65 will have a portion of their benefit for service after December 31, 2006 that is paid from the Pension Plan (if any) reduced by 5/12% for each month or part thereof (5% per year) by which the participant's Annuity Start Date precedes his 65<sup>th</sup> birthday. The benefit payment from the RAP will be converted to an actuarially equivalent single-life annuity. Although the RAP is converted to a single-life annuity, participants can still choose to receive their RAP in a lump sum or certain other annuity forms. A grandfathered employee shall be entitled to the greater of the monthly benefit, as described above, or the benefit they would have earned over their entire career if the formula that applied to them under the Textron Pension Plan had remained in effect. A participant is a grandfathered employee if, as of January 1, 2007 the participant was a covered employee of the Textron Pension Plan, had completed at least 5 years of vesting service (or reached age 60), and the sum of (a) age in completed years and (b) full years of vesting service under the Textron Pension Plan equaled 55 or more. On November 18, 2009 the Plan was amended to prohibit any new participants from receiving benefits under Addendum A on or after January 1, 2010.

**WOODWARD  
HRT PENSION PLAN**

Notes to Financial Statements

**Addendum B**

Employees who have attained age 65 are entitled to a retirement benefit equal to the employee's credited service multiplied by \$44 if employment ended prior to April 19, 2010 and \$52 if employment ends after April 19, 2010. Early retirement benefits are reduced by 0.5% for each complete calendar month by which the employee is under age 62. Deferred vested retirement benefits are reduced by 0.5% for each complete calendar month by which the employee is under age 65. Disability retirement benefits are reduced by the employee's other disability benefits, if any.

Effective April 19, 2010 the Plan was amended to conform the benefits under Addendum B to the terms of the collective bargaining agreement with District Lodge 727-N, International Association of Machinists and Aerospace Workers for and on behalf of Local Lodge 758. For purposes of Addendum B, no person who was not an employee, as defined in the Plan agreement, on or before April 19, 2010 shall become an employee.

The Plan was amended in 2014 to increase the service multiplier to \$58 if employment ends on or after April 21, 2014.

Effective January 1, 2017, Section 1.18B of Addendum B was amended to define "Union" as District Lodge 725 (successor to District Lodge 727), International Association of Machinists and Aerospace Workers, for and on behalf of its Local Lodge 727-N (successor to Local Lodge 758).

Effective April 22, 2017, the Plan was amended to increase the multiplier to \$60, if employment ends on or after April 22, 2017 and before April 20, 2018; \$61 if after April 20, 2018 and before April 19, 2019; \$62, if after April 19, 2019 and before April 17, 2020; and \$64, if employment ends on or after April 17, 2020.

***(c) Death and Disability Benefits***

**Addendum A – Death benefit under the RAP**

The RAP account balance of a participant that dies (a) while actively working for the Company or (b) after they stop working for the Company but before receiving their benefits, will be payable to a beneficiary designated by the participant. If the beneficiary is anyone other than a surviving spouse, the RAP account balance will be paid in a lump sum. If the beneficiary is a surviving spouse, the surviving spouse may elect a single-life annuity or a lump sum.

## **WOODWARD HRT PENSION PLAN**

### Notes to Financial Statements

#### Addendum A – Death benefit under the Pension Plan

If the participant is unmarried and has satisfied the requirements to receive a normal or early retirement pension, they may elect a pre-pension survivor annuity. If a married participant dies while they are actively working, has a vested benefit under the Pension Plan, and dies before the Pension payment has begun, the surviving spouse will receive a pre-pension surviving spouse annuity.

If a participant dies after they stop working for the Company but before receiving their pension benefit and is (a) married, the surviving spouse will receive a pre-pension surviving spouse annuity or (b) unmarried, but were eligible to receive a normal or early retirement pension, the beneficiary will receive the pre-pension survivor annuity.

#### Addendum B

As soon as an employee is vested in retirement benefits under the Plan, the employee's surviving spouse will automatically be eligible to receive a pre-pension surviving spouse annuity if an employee dies before their benefits should begin to be paid. A surviving spouse annuity shall be paid monthly during the life of a surviving spouse beginning on the first day of the month (a) which next follows the date of the employee's death or (b) in which the earliest retirement date would have occurred but for his death, whichever is later.

An employee whose employment ends as a result of permanent and total disability after completing 10 years of vesting service shall be entitled to a disability retirement benefit until they attain age 65, at which time they shall be entitled to a normal retirement benefit.

#### ***(d) Vesting***

##### Addendum A

Participants are fully vested in their RAP benefits after the completion of 3 years of vesting service, or attain age 60 prior to termination. Participants are eligible for benefits under the Pension Plan when they meet the following criteria. Participants who have attained age 65 are fully vested on attainment of age 65. A participant whose termination of employment occurs before their 65th birthday, but after their 55th birthday and after completion of at least 5 years of vesting service shall be entitled to an early retirement pension. A participant who was an HRT employee of the Textron Plan before January 1, 2007 and whose termination of employment occurs after they earn 20 years of vesting service, but before their 65th birthday, is also eligible for an early retirement pension regardless of their age. A participant who continues employment with the Company beyond the attainment of age 65 and who later retires is entitled to a delayed retirement

**WOODWARD  
HRT PENSION PLAN**

Notes to Financial Statements

pension. A participant whose termination from employment before they have become eligible for an early retirement pension but after completing at least 5 years of vesting service, is entitled to a fully vested retirement pension.

**Addendum B**

Employees who have attained age 65 are fully vested in their retirement benefits. An employee whose termination of employment occurs before their 65<sup>th</sup> birthday, but after their 55<sup>th</sup> birthday and after completion of at least 10 years of vesting service shall be entitled to an early retirement benefit. An employee whose employment ends after completion of 5 years of vesting service but before the participant becomes eligible for normal or early retirement benefits is entitled to a deferred vested retirement benefit.

**(2) Summary of Significant Accounting Policies**

***(a) Basis of Accounting***

The accompanying financial statements are prepared on the accrual basis of accounting.

***(b) Date of Management's Review***

Subsequent events were evaluated through September 23, 2020, which is the date the financial statements were available to be issued.

***(c) Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

***(d) Investment Valuation and Income Recognition***

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 6 for discussion of fair value measurements.

Purchases and sales of securities are recorded on trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Capital gains distributions are included in dividend income. Net appreciation

**WOODWARD  
HRT PENSION PLAN**

Notes to Financial Statements

(depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

***(e) Payment of Benefits***

Benefits are recorded when paid.

***(f) Administrative Expenses***

Services provided by the trustee, actuarial and recordkeeping service providers are paid by the Plan. Certain administrative expenses, including functions performed by officers or employees of the Company, are incurred by the Company at no charge to the Plan.

***(g) Actuarial Present Value of Accumulated Plan Benefits***

Accumulated plan benefits are those future periodic payments, including lump sum distributions, which are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years ending on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits.

The actuarial present value of accumulated plan benefits is determined by the Company's consulting actuaries and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The actuarial valuations are done using the beginning of the year method.

The significant actuarial assumptions used in the valuations as of January 1, 2019 and January 1, 2018 are (a) mortality assumptions based upon RP-2014 tables with separate mortality rates for annuitants and non-annuitants, (b) retirement age assumptions which ranged from ages 55 to 70, (c) discount rate was 7.50% in 2019 and 2018, and (d) the assumed plan-related expenses added to the target normal cost were changed from \$494,000 for 2018 to \$443,000 for 2019. The foregoing actuarial assumptions are based on the presumption that the Plan will

## **WOODWARD HRT PENSION PLAN**

### Notes to Financial Statements

continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

#### **(3) Funding Policy**

Annual contributions are made by the Company in amounts determined with the assistance of the actuary to fund benefits to be paid to Plan participants. The Company intends to contribute to the Plan no less than the minimum amount required to satisfy the minimum funding standards of the Internal Revenue Code. The Company contributions for the years ended December 31, 2019 and 2018, respectively, satisfied the minimum funding requirements of ERISA.

#### **(4) Plan Termination**

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA.

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- b. Other vested benefits insured by the Pension Benefit Guarantee Corporation (PBGC), a U.S. Government Agency, up to the applicable limitations discussed below.
- c. All other vested benefits not insured by the PBGC.
- d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are

## **WOODWARD HRT PENSION PLAN**

### **Notes to Financial Statements**

guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees. The ceiling is periodically adjusted by the PBGC and was \$5,608 per month for plan terminations occurring in 2019.

That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination, whichever comes later. For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC.

#### **(5) Certification of Financial Information**

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Vanguard Fiduciary Trust Company has certified that the Plan's investments, interest and dividends, and net appreciation (depreciation) in fair value of investments as reported to the Plan and included in the accompanying financial statements and supplemental schedules are complete and accurate as of December 31, 2019 and 2018 and the years then ended.

#### **(6) Fair Value Measurements**

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurements authoritative literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses

**WOODWARD  
HRT PENSION PLAN**

Notes to Financial Statements

appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

At December 31, 2019 and 2018 the plan's assets consisted of mutual funds which were all considered Level 1 assets.

**(7) Related Party Transactions**

Certain Plan investments are shares of mutual funds managed by and sold through affiliates of Vanguard Fiduciary Trust Company (Vanguard). Vanguard is the Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Certain administrative expenses, including functions performed by officers or employees of the Company, are incurred by the Company at no charge to the Plan.

**(8) Tax Status**

The Internal Revenue Service has determined and informed the Company by a letter dated May 10, 2017, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

**WOODWARD  
HRT PENSION PLAN**

Notes to Financial Statements

**(9) Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible changes in the value of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

As a result of the recent spread of the novel coronavirus (COVID-19) subsequent to December 31, 2019, economic uncertainties have arisen which have negatively impacted the market values of investment securities. Other financial impact could occur though such potential impact is unknown at this time.

**WOODWARD  
HRT PENSION PLAN**

EIN #36-1984010 Plan #006

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2019

| (a) | (b)                       | (c)                                                    | (d)                  | (e)                  |
|-----|---------------------------|--------------------------------------------------------|----------------------|----------------------|
|     | <u>Identity of Issuer</u> | <u>Description of Investment</u>                       | <u>Cost</u>          | <u>Current Value</u> |
| *   | The Vanguard Group        | Vanguard Cash Account                                  | \$ 398,301           | 398,301              |
| *   | The Vanguard Group        | Vanguard Federal Money Market Fund                     | 435,014              | 435,014              |
| *   | The Vanguard Group        | Vanguard Long-Term Inv-Grade Fund Admiral Mutual Fund  | 44,828,954           | 49,629,839           |
| *   | The Vanguard Group        | Vanguard Total Stock Market Index Fund Mutual Fund     | 21,509,248           | 55,576,751           |
| *   | The Vanguard Group        | Vanguard International Growth Fund Admiral Mutual Fund | <u>30,356,275</u>    | <u>49,585,965</u>    |
|     |                           |                                                        | \$ <u>97,527,792</u> | <u>155,625,870</u>   |

\* Denotes party-in-interest

**WOODWARD GOVERNOR COMPANY  
HRT PENSION PLAN**

EIN #36-1984010 Plan #006

Schedule H, Line 4(j) – Schedule of Reportable (5%) Transactions

December 31, 2019

| (a)                                   | (b)                                                                    | (c)                       | (d)                      | (g)                      | (h)                                                           | (i)                               |
|---------------------------------------|------------------------------------------------------------------------|---------------------------|--------------------------|--------------------------|---------------------------------------------------------------|-----------------------------------|
| <u>Identity of<br/>Party Involved</u> | <u>Description of asset</u>                                            | <u>Purchase<br/>Price</u> | <u>Selling<br/>Price</u> | <u>Cost of<br/>Asset</u> | <u>Current Value<br/>of Asset on<br/>Transaction<br/>Date</u> | <u>Net<br/>Gain<br/>or (Loss)</u> |
| * The Vanguard Group                  | Vanguard Federal Money<br>Market Fund<br>Registered Investment Company | \$ 4,758,373              | –                        | 4,758,373                | 4,758,373                                                     | –                                 |
| * The Vanguard Group                  | Vanguard Federal Money<br>Market Fund<br>Registered Investment Company | –                         | 4,973,140                | 4,973,140                | 4,973,140                                                     | –                                 |

\* Denotes party-in-interest

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).<br><br><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210 - 0110<br>1210 - 0089<br><br><b>2019</b><br><br><b>This Form is Open to Public Inspection</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|

**Part I Annual Report Identification Information**

|                                                                   |                                                                                                                                                                                                                                                                                                                                            |            |
|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| For calendar plan year 2019 or fiscal plan year beginning         |                                                                                                                                                                                                                                                                                                                                            | and ending |
| <b>A</b> This return/report is for:                               | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) _____ |            |
| <b>B</b> This return/report is:                                   | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                      |            |
| <b>C</b> If the plan is a collectively-bargained plan, check here | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                   |            |
| <b>D</b> Check box if filing under:                               | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                     |            |

**Part II Basic Plan Information—enter all requested information**

|                                                                                                                                                                                                                                                                                                                                                                 |                                                                     |            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------|
| <b>1a</b> Name of plan<br><b>WOODWARD HRT PENSION PLAN</b>                                                                                                                                                                                                                                                                                                      | <b>1b</b> Three-digit plan number (PN) ▶                            | <b>006</b> |
|                                                                                                                                                                                                                                                                                                                                                                 | <b>1c</b> Effective date of plan<br><b>04/03/2009</b>               |            |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><b>WOODWARD, INC.</b><br><br><b>1081 WOODWARD WAY</b><br><br><b>FORT COLLINS CO 80524-1519</b> | <b>2b</b> Employer Identification Number (EIN)<br><b>36-1984010</b> |            |
|                                                                                                                                                                                                                                                                                                                                                                 | <b>2c</b> Plan Sponsor's telephone number<br><b>970-498-3212</b>    |            |
|                                                                                                                                                                                                                                                                                                                                                                 | <b>2d</b> Business code (see instructions)<br><b>339900</b>         |            |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|              |                                    |           |                                                              |
|--------------|------------------------------------|-----------|--------------------------------------------------------------|
| SIGN<br>HERE |                                    | 10/8/2020 | PHOEBE LARSON                                                |
|              | Signature of plan administrator    | Date      | Enter name of individual signing as plan administrator       |
| SIGN<br>HERE |                                    | Date      | Enter name of individual signing as employer or plan sponsor |
|              | Signature of employer/plan sponsor | Date      | Enter name of individual signing as employer or plan sponsor |
| SIGN<br>HERE |                                    | Date      | Enter name of individual signing as DFE                      |
|              | Signature of DFE                   | Date      | Enter name of individual signing as DFE                      |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2019)

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2019</b><br><br><b>This Form is Open to Public Inspection</b> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br>WOODWARD HRT PENSION PLAN                                                                                        | <b>B</b> Three-digit plan number (PN) ▶ 006                                                                                                             |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>WOODWARD, INC.                                                | <b>D</b> Employer Identification Number (EIN)<br>36-1984010                                                                                             |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|                                                                                                                                                                                                                 |                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                                                                                                                                   | <b>Basic Information</b>                                                                                |
| <b>1</b> Enter the valuation date: Month 01 Day 01 Year 2019                                                                                                                                                    |                                                                                                         |
| <b>2</b> Assets:                                                                                                                                                                                                |                                                                                                         |
| <b>a</b> Market value.....                                                                                                                                                                                      | <b>2a</b> 126,435,788                                                                                   |
| <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b> 132,267,596                                                                                   |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                             |                                                                                                         |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                                     | (1) Number of participants 241 (2) Vested Funding Target 52,397,386 (3) Total Funding Target 52,397,386 |
| <b>b</b> For terminated vested participants .....                                                                                                                                                               | 97 7,911,656 7,911,656                                                                                  |
| <b>c</b> For active participants .....                                                                                                                                                                          | 388 47,341,726 48,086,880                                                                               |
| <b>d</b> Total .....                                                                                                                                                                                            | 726 107,650,768 108,395,922                                                                             |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                           |                                                                                                         |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                                                                                               |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                                                                                               |
| <b>5</b> Effective interest rate .....                                                                                                                                                                          | <b>5</b> 5.53%                                                                                          |
| <b>6</b> Target normal cost .....                                                                                                                                                                               | <b>6</b> 1,497,836                                                                                      |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                             |                               |                                        |
|-----------------------------|-------------------------------|----------------------------------------|
| <b>SIGN HERE</b>            | TREVOR A FUHRMAN TAF          | 09/29/2020                             |
|                             | Signature of actuary          | Date                                   |
| TREVOR A FUHRMAN            | Type or print name of actuary | 2007770                                |
| Willis Towers Watson US LLC | Firm name                     | Most recent enrollment number          |
|                             |                               | 303-391-1200                           |
| 555 17th Street             |                               | Telephone number (including area code) |
| Suite 2050                  |                               |                                        |
| Denver CO 80202             | Address of the firm           |                                        |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.**

**Schedule SB (Form 5500) 2019**  
**v. 190130**

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                     | (a) Carryover balance | (b) Prefunding balance |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....                                                             | 0                     | 10,128,452             |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                         | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8).....                                                                                                                | 0                     | 10,128,452             |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>-7.38%</u> .....                                                                                | 0                     | -747,480               |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                      |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year).....                                                                                      |                       | 0                      |
| <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.70%</u> ..... |                       | 0                      |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance.....                                                                        |                       | 0                      |
| <b>d</b> Portion of (c) to be added to prefunding balance.....                                                                                                      |                       | 0                      |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                   | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....                                                                         | 0                     | 9,380,972              |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 113.36% |
| <b>15</b> Adjusted funding target attainment percentage.....                                                                                                               | <b>15</b> | 122.02% |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 116.41% |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                        | <b>17</b> | %       |

**Part IV Contributions and Liquidity Shortfalls****18** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
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|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ▶</b>          |                                   |                                 | <b>18(b)</b>             | 0                                 | <b>18(c)</b> 0                  |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                        |            |   |
|------------------------------------------------------------------------------------------------------------------------|------------|---|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years.....                    | <b>19a</b> | 0 |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                     | <b>19b</b> | 0 |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date..... | <b>19c</b> | 0 |

**20** Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---------|---------|---------|---------|
|         |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost****21** Discount rate:**a** Segment rates:1st segment:  
3.74 %2nd segment:  
5.35 %3rd segment:  
6.11 %☐ N/A, full yield curve used**b** Applicable month (enter code).....**21b**

0

**22** Weighted average retirement age .....**22**

63

**23** Mortality table(s) (see instructions)

Prescribed - combined



Prescribed - separate



Substitute

**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. .... ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. .... ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment .....**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years ..... **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) ..... **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) .....**31a**

1,497,836

**b** Excess assets, if applicable, but not greater than line 31a .....**31b**

1,497,836

**32** Amortization installments:

Outstanding Balance

Installment

**a** Net shortfall amortization installment.....

0

0

**b** Waiver amortization installment .....

0

0

**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_) and the waived amount .....**33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)..... **34** 0

Carryover balance

Prefunding balance

Total balance

**35** Balances elected for use to offset funding requirement.....

0

0

0

**36** Additional cash requirement (line 34 minus line 35)..... **36** 0**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) .....**38a**

0

**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....**38b**

0

**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0**40** Unpaid minimum required contributions for all years ..... **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected .....☐ 2 plus 7 years☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made .....☐ 2008☐ 2009☐ 2010☐ 2011

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 22 Description of Weighted Average Retirement Age for Salaried Participants as of January 1, 2019

The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

| x  | $q_x^r$ | $l_x$     | ${}_{x-55}p_{55} = l_x / l_{55}$ | $q_x^r * l_x / l_{55}$ | $x * q_x^r * l_x / l_{55}$ |
|----|---------|-----------|----------------------------------|------------------------|----------------------------|
| 55 | 0.070   | 1,000,000 | 1.000000                         | 0.070000               | 3.850000                   |
| 56 | 0.070   | 930,000   | 0.930000                         | 0.065100               | 3.645600                   |
| 57 | 0.070   | 864,900   | 0.864900                         | 0.060543               | 3.450951                   |
| 58 | 0.070   | 804,357   | 0.804357                         | 0.056305               | 3.265689                   |
| 59 | 0.070   | 748,052   | 0.748052                         | 0.052364               | 3.089455                   |
| 60 | 0.150   | 695,688   | 0.695688                         | 0.104353               | 6.261195                   |
| 61 | 0.150   | 591,335   | 0.591335                         | 0.088700               | 5.410716                   |
| 62 | 0.200   | 502,635   | 0.502635                         | 0.100527               | 6.232672                   |
| 63 | 0.200   | 402,108   | 0.402108                         | 0.080422               | 5.066559                   |
| 64 | 0.200   | 321,686   | 0.321686                         | 0.064337               | 4.117585                   |
| 65 | 0.200   | 257,349   | 0.257349                         | 0.051470               | 3.345538                   |
| 66 | 0.200   | 205,879   | 0.205879                         | 0.041176               | 2.717606                   |
| 67 | 0.200   | 164,703   | 0.164703                         | 0.032941               | 2.207025                   |
| 68 | 0.200   | 131,763   | 0.131763                         | 0.026353               | 1.791973                   |
| 69 | 0.200   | 105,410   | 0.105410                         | 0.021082               | 1.454660                   |
| 70 | 1.000   | 84,328    | 0.084328                         | 0.084328               | 5.902969                   |

Average age at retirement

61.810194

Plan Name: Woodward HRT Pension Plan  
 EIN / PN: 36-1984010/006  
 Plan Sponsor: Woodward, Inc.  
 Valuation Date: January 1, 2019

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 22 Description of Weighted Average Retirement Age for Hourly Participants as of January 1, 2019

The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

| x  | $q_x^r$ | $l_x$     | ${}_{x-55}p_{55} = l_x / l_{55}$ | $q_x^r * l_x / l_{55}$ | $x * q_x^r * l_x / l_{55}$ |
|----|---------|-----------|----------------------------------|------------------------|----------------------------|
| 55 | 0.030   | 1,000,000 | 1.000000                         | 0.030000               | 1.650000                   |
| 56 | 0.030   | 970,000   | 0.970000                         | 0.029100               | 1.629600                   |
| 57 | 0.030   | 940,900   | 0.940900                         | 0.028227               | 1.608939                   |
| 58 | 0.030   | 912,673   | 0.912673                         | 0.027380               | 1.588051                   |
| 59 | 0.030   | 885,293   | 0.885293                         | 0.026559               | 1.566968                   |
| 60 | 0.100   | 858,734   | 0.858734                         | 0.085873               | 5.152404                   |
| 61 | 0.100   | 772,861   | 0.772861                         | 0.077286               | 4.714450                   |
| 62 | 0.100   | 695,575   | 0.695575                         | 0.069557               | 4.312562                   |
| 63 | 0.100   | 626,017   | 0.626017                         | 0.062602               | 3.943908                   |
| 64 | 0.100   | 563,415   | 0.563415                         | 0.056342               | 3.605859                   |
| 65 | 0.100   | 507,074   | 0.507074                         | 0.050707               | 3.295980                   |
| 66 | 0.250   | 456,366   | 0.456366                         | 0.114092               | 7.530047                   |
| 67 | 0.250   | 342,275   | 0.342275                         | 0.085569               | 5.733104                   |
| 68 | 0.250   | 256,706   | 0.256706                         | 0.064177               | 4.364004                   |
| 69 | 0.250   | 192,530   | 0.192530                         | 0.048132               | 3.321136                   |
| 70 | 1.000   | 144,397   | 0.144397                         | 0.144397               | 10.107804                  |

Average age at retirement

64.124816

Rounded for Schedule SB line 22 (all participants)

63

Plan Name: Woodward HRT Pension Plan  
 EIN / PN: 36-1984010/006  
 Plan Sponsor: Woodward, Inc.  
 Valuation Date: January 1, 2019

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2019

| Attained Age | Attained Years of Credited Service <sup>1</sup> |     |     |       |       |       |       |       |       |           |
|--------------|-------------------------------------------------|-----|-----|-------|-------|-------|-------|-------|-------|-----------|
|              | Under 1                                         | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & Over |
| Under 25     | 0                                               | 0   | 0   | 0     | 0     | 0     | 0     | 0     | 0     | 0         |
| 25-29        | 0                                               | 1   | 0   | 0     | 0     | 0     | 0     | 0     | 0     | 0         |
| 30-34        | 1                                               | 4   | 3   | 7     | 0     | 0     | 0     | 0     | 0     | 0         |
| 35-39        | 0                                               | 1   | 10  | 13    | 6     | 0     | 0     | 0     | 0     | 0         |
| 40-44        | 0                                               | 1   | 6   | 16    | 6     | 1     | 0     | 0     | 0     | 0         |
| 45-49        | 0                                               | 1   | 10  | 13    | 7     | 3     | 0     | 0     | 0     | 0         |
| 50-54        | 1                                               | 2   | 8   | 15    | 17    | 3     | 4     | 2     | 0     | 0         |
| 55-59        | 1                                               | 2   | 15  | 14    | 18    | 14    | 9     | 5     | 6     | 0         |
| 60-64        | 0                                               | 1   | 10  | 16    | 20    | 12    | 15    | 9     | 7     | 6         |
| 65-69        | 0                                               | 0   | 2   | 5     | 9     | 3     | 6     | 3     | 3     | 1         |
| 70 & over    | 0                                               | 0   | 0   | 3     | 2     | 1     | 1     | 2     | 1     | 4         |

<sup>1</sup> Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Woodward HRT Pension Plan  
 EIN / PN: 36-1984010/006  
 Plan Sponsor: Woodward, Inc  
 Valuation Date: January 1, 2019

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Part V Statement of Actuarial Assumptions/Methods

### Economic Assumptions

#### Interest rate basis

- Applicable month January
- Interest rate basis Segment Rates from Month of Valuation Date

| Interest rates | Reflecting Stabilization | Not Reflecting Stabilization |
|----------------|--------------------------|------------------------------|
|----------------|--------------------------|------------------------------|

- |                           |       |       |
|---------------------------|-------|-------|
| ■ First segment rate      | 3.74% | 2.55% |
| ■ Second segment rate     | 5.35% | 3.93% |
| ■ Third segment rate      | 6.11% | 4.49% |
| ■ Effective interest rate | 5.53% | 4.10% |

**RAP Account Conversion Interest Rates** Applicable interest rates from November prior to the Valuation Date

**RAP Account Return** 7.50%

#### Annual rates of increase

- Compensation Not applicable: Salaried plan is frozen
- Future Social Security wage bases Not applicable: Salaried plan is frozen
- Statutory limits on compensation Not applicable: Salaried plan is frozen

**Plan-related expenses** \$443,000

Plan Name: Woodward HRT Pension Plan  
EIN / PN: 36-1984010/006  
Plan Sponsor: Woodward, Inc  
Valuation Date: January 1, 2019

# SCHEDULE SB ATTACHMENTS

## Demographic Assumptions

**Inclusion date** The valuation date coincident with or next following the date on which the employee becomes a participant.

**New or rehired employees** It was assumed there will be no new or rehired employees.

### Mortality

■ Funding For all participants: Separate rates for non-annuitants (based on RP-2014 "Employees" table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2017) and annuitants (based on RP-2014 "Healthy Annuitants" table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2017).

■ RAP Conversion Mortality Applicable mortality table under IRC 417(e) for 2019

**Termination** The rates at which participants are assumed to leave the Company by age and employment type are shown below:

| Attained Age | Salaried | Hourly |
|--------------|----------|--------|
| 20           | 20.0%    | 14.9%  |
| 25           | 17.5%    | 9.9%   |
| 30           | 16.0%    | 6.9%   |
| 35           | 14.5%    | 4.9%   |
| 40           | 13.0%    | 2.8%   |
| 45           | 11.5%    | 1.6%   |
| 50           | 9.0%     | 0.4%   |
| 55           | 7.0%     | 0.4%   |

**Disability** None assumed

Plan Name: Woodward HRT Pension Plan  
EIN / PN: 36-1984010/006  
Plan Sponsor: Woodward, Inc  
Valuation Date: January 1, 2019

## SCHEDULE SB ATTACHMENTS

### Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age and employment type are shown below:

| Percentage retiring during the year |          |        |
|-------------------------------------|----------|--------|
| Age                                 | Salaried | Hourly |
| 55                                  | 7%       | 3%     |
| 56                                  | 7%       | 3%     |
| 57                                  | 7%       | 3%     |
| 58                                  | 7%       | 3%     |
| 59                                  | 7%       | 3%     |
| 60                                  | 15%      | 10%    |
| 61                                  | 15%      | 10%    |
| 62                                  | 20%      | 10%    |
| 63                                  | 20%      | 10%    |
| 64                                  | 20%      | 10%    |
| 65                                  | 20%      | 10%    |
| 66                                  | 20%      | 25%    |
| 67                                  | 20%      | 25%    |
| 68                                  | 20%      | 25%    |
| 69                                  | 20%      | 25%    |
| 70                                  | 100%     | 100%   |

### Benefit commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have attained age 55
- Deferred vested benefit The later of age 65 or termination of employment
- Retirement benefit Upon termination of employment

### Form of payment

Participants are assumed to elect a single life annuity. The normal form of payment for married participants is an actuarially equivalent 50% Joint and Survivor Annuity.

### Percent married

80% of males; 80% of females. Used to value pre-retirement surviving spouse benefits.

### Spouse age

Male spouses three years older than female spouses

Plan Name: Woodward HRT Pension Plan  
EIN / PN: 36-1984010/006  
Plan Sponsor: Woodward, Inc  
Valuation Date: January 1, 2019

## SCHEDULE SB ATTACHMENTS

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|                                   |                                                                                                                            |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| <b>Covered pay</b>                | Not applicable due to frozen status of Salaried plan                                                                       |
| <b>Timing of benefit payments</b> | Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement. |

### Methods

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Valuation date</b>            | First day of plan year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Funding target</b>            | Present value of accrued benefits as required by regulations under IRC §430.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Target normal cost</b>        | Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Actuarial value of assets</b> | <p>Average of the fair market value of assets on the valuation date and 12 and 24 months preceding the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2018 plan year.)</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p> |

|                |                           |
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### Benefits not valued

All benefits described in the Plan Provisions section of this report were valued based on discussions with Woodward, Inc. regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with Woodward, Inc. and, based on that review, is not aware of any significant benefits required to be valued that were not.

The plan pays small benefits with a present value up to \$5,000 in a single lump sum payment. Such lump sums are not explicitly valued; rather such participants' benefits are valued using the benefit choice assumptions described above.

### Sources of Data and Other Information

The plan sponsor, through its third party administrator Milliman, furnished participant data as of January 1, 2019. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. No data adjustments were made and we are unaware of any adjustments made by the data provider.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

### Assumptions Rationale – Significant Economic Assumptions

#### Discount rate

The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.

#### Plan-related expenses

As required by regulations, plan-related expenses are calculated by estimating the expenses to be paid from the trust during the coming year (including, for example, expected PBGC premiums and actuarial, accounting, legal, administration and trustee fees to be paid from the trust). Expenses are estimated by determining 0.35% of market value of assets, rounded to the nearest \$1,000.

|                |                           |
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## Assumed return for asset smoothing

The assumed return used for asset smoothing is the third segment rate. Although we have not explicitly determined an expected return on assets, based on an analysis of the plan sponsor's investment policy, we believe the rate to be above the third segment rate.

## Assumptions Rationale – Significant Demographic Assumptions

### Mortality

#### ■ Funding

Assumptions used for funding purposes are as prescribed by IRC §430(h).

### Termination

Termination rates were based on an experience study conducted in 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

### Retirement

Retirement rates were based on an experience study conducted in 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

## Prescribed Methods

### Funding methods

The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

|                |                           |
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## Changes in Assumptions and Methods

### Change in assumptions and methods since prior valuation

- The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC §430.
- The mortality table used to calculate the funding target and target normal cost was updated to reflect the new tables, based on RP-2014 and subsequent Society of Actuaries studies, published by the IRS in October 2017 in regulation §1.430(h)(3)-1.
- The assumed plan-related expenses added to the target normal cost were changed from \$494,000 for the prior valuation to \$443,000 for the current valuation to account for lower expected expenses to be paid from the trust.
- The actuarial equivalence basis for the RAP account was updated to reflect the current 417(e) applicable interest rates and mortality table.

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## Schedule SB – Statement by Enrolled Actuary

|                          |                           |
|--------------------------|---------------------------|
| <b>Plan Sponsor</b>      | Woodward, Inc             |
| <b>EIN/PN</b>            | 36-1984010/006            |
| <b>Plan Name</b>         | Woodward HRT Pension Plan |
| <b>Valuation Date</b>    | January 1, 2019           |
| <b>Enrolled Actuary</b>  | Trevor A Fuhrman          |
| <b>Enrollment Number</b> | 20-07770                  |

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Part V Summary of Plan Provisions

### Plan Provisions

The plan was originally effective April 3, 2009, and restated January 1, 2016. The most recent amendment reflected herein is Amendment Number 2, which was effective April 19, 2017. The plan was previously amended effective December 31, 2014 to freeze all benefit accruals for non-bargained employees.

|                           |                                                                                                                                                                                                                                                                                                                     |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Plan name</b>          | Woodward HRT Pension Plan                                                                                                                                                                                                                                                                                           |
| <b>Covered employees</b>  | Bargained and non-bargained employees must be hired before April 19, 2010 and January 1, 2010, respectively, to be eligible for participation.                                                                                                                                                                      |
| <b>Participation date</b> | An employee becomes eligible to participate on the day he is hired if he is expected to work at least 1,000 hours in the first twelve (12) months of employment. Otherwise, an employee becomes eligible to participate at the end of the first twelve (12) month period or calendar year he completes 1,000 hours. |

### Definitions

#### Vesting service

- Salaried                                      The sum of:
  1. Years and fractions of a year in completed months under the prior plan through April 3, 2009; and
  2. Years and fractions of a year in completed months after April 3, 2009 under this plan.
  
- Hourly                                        The sum of:
  1. Vesting service through December 31, 2008 under the prior plan; and
  2. For each calendar year after December 31, 2008 one year if at least 1,000 hours are worked.

|                |                           |
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## Credited service

### ■ Salaried

The sum of:

1. Credited Service as of April 3, 2009 under the prior plan; and
2. Years and fractions of a year in completed months after April 3, 2009 under this plan.

*Credited service for salaried employees was frozen effective December 31, 2014.*

### ■ Hourly

The sum of:

1. Credited Service through December 31, 2008 under the prior plan;
2. For each calendar year after December 31, 2008 one year if at least 1,800 hours are worked; and
3. For each calendar year (including 2009) in which less than 1,800 hours are worked, a fraction equal to the actual hours worked divided by 1,800 rounded to nearest tenth.

## Grandfathered Status

Certain salaried participants are deemed to be Grandfathered if as of January 1, 2007 (i) he has attained age 60 or completed 5 years of Vesting Service and (ii) the sum of the Member's attained age as of January 1, 2007 and completed whole years of Vesting Service as of January 1, 2007 equals or exceeds 55.

## Compensation Base

For a salaried participant, this is the average annual Compensation for the five consecutive calendar years during which his average annual Compensation was the highest. Compensation is defined as wages by Section 3401(a) of the Code. Certain exclusions and inclusions apply as described in the document. Compensation used in the calculation of benefits for salaried participants was frozen effective December 31, 2014.

## Covered Compensation

82.5% of the amount determined by averaging the contribution and benefit bases in effect under Section 230 of the Social Security Act for each year in the 35-year period ending with the earlier of (A) in the calendar year in which the participant terminates or (B) the calendar year ending December 31, 2014.

|                |                           |
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### Retirement Account

This is an amount from an Offset Plan that was transferred to this Plan. This amount is converted to an age 65 annuity using the actuarial equivalence defined in Addendum A of the Plan. Future pay accruals are frozen as of December 31, 2014.

### Normal retirement date (NRD)

First of the month following attainment of age 65

### Monthly pension benefit

#### ■ Salaried

Non-Grandfathered: The maximum of a+b and c:

- a. One-twelfth (1/12) of the sum of:
  - (i) 1.5% of the participant's Compensation Base in excess of Covered Compensation multiplied by the participant's credited service as of 12/31/2006;
  - (ii) 1.0% of the participant's Compensation Base not in excess of Covered Compensation multiplied by the participant's credited service as of 12/31/2006;

**plus**
- b. The excess, if any, of:
  - (i) 1-1/3% of the participant's Compensation Base, divided by 12, and multiplied by the participant's credited service earned after 12/31/2006
  - (ii) the participant's Retirement Account, expressed as an Actuarially Equivalent single-life annuity commencing upon the participant's Normal Retirement Date
- c. \$50 times a Member's Credited Service to a maximum of five (5) years of Credited Service, with any portion of such amount that is attributable to Credited Service after December 31, 2006 being offset (but not reduced below zero) by the amount payable from the Retirement Account.

|                |                           |
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### ■ Salaried (*continued*)

Grandfathered: The maximum of d. and the Non-Grandfathered Salaried formula above:

- a. One-twelfth (1/12) of the sum of:
  - (i) 1.5% of the participant's Compensation Base in excess of Covered Compensation multiplied by the participant's credited service as of termination;
  - (ii) 1.0% of the participant's Compensation Base not in excess of Covered Compensation multiplied by the participant's credited service as of termination

provided that the monthly normal retirement pension attributable to Credited Service earned after December 31, 2006 shall be reduced (but not below zero) by the amount payable from the Retirement Account.

In determining the number of years of credited service for parts (a) and (d), the total years of credited service from original date of hire to December 31, 2006 cannot exceed 35 years.

*Benefit accruals were frozen effective December 31, 2014.*

### ■ Hourly

A flat dollar amount multiplied by the participant's years of credited service:

- a. \$58, if employment ends before April 22, 2017
- b. \$60, if employment ends on or after April 22, 2017 and before April 20, 2018
- c. \$61, if employment ends on or after April 20, 2018 and before April 19, 2019
- d. \$62, if employment ends on or after April 19, 2019 and before April 17, 2020
- e. \$64, if employment ends on or after April 17, 2020

### **Monthly preretirement death benefit**

50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced for payment as early as the participant's earliest retirement date

## Eligibility for Benefits

### **Normal retirement**

Retirement on NRD

|                |                           |
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|                                    |                                                                                                                                                                  |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Early retirement</b>            | Retirement before NRD and on or after attaining the eligibilities below.                                                                                         |
| ■ Salaried                         | Earlier of: <ul style="list-style-type: none"><li>i) Age 55 and 5 years of Vesting Service</li><li>ii) Age 60</li><li>iii) 20 years of Vesting Service</li></ul> |
| ■ Hourly                           | Age 55 and 10 years of Vesting Service                                                                                                                           |
| <b>Postponed retirement</b>        | Retirement after NRD                                                                                                                                             |
| <b>Deferred vested termination</b> | Termination for reasons other than death or retirement after completing five years of vesting service.                                                           |
| <b>Disability</b>                  | Permanent and total disability prior to NRD, and participant is receiving a Social Security disability benefit, after completing ten years of vesting service    |
| <b>Preretirement death benefit</b> | Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse                                               |

### Benefits Paid Upon the Following Events

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Normal retirement</b> | The monthly pension benefit determined as of NRD                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Early retirement</b>  | The monthly pension benefit determined as of the early retirement date, reduced as applicable below.                                                                                                                                                                                                                                                                                                                                                                                                     |
| ■ Salaried               | Reduction factors depend on benefit formula and service period: <ul style="list-style-type: none"><li>i) Grandfathered and other pre-2007 benefits are multiplied by the appropriate factor as set forth in Table A or Table B of the plan document, whichever is appropriate;</li><li>ii) Non-Grandfathered Post-2007 benefits are reduced by 5/12 of 1% for each month or part of month by which the participant's Annuity Starting Date precedes the participant's 65<sup>th</sup> birthday</li></ul> |
| ■ Hourly                 | Reduced by one-half of one-percent for each complete calendar month by which the participant is under age 62                                                                                                                                                                                                                                                                                                                                                                                             |

|                |                           |
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|                                    |                                                                                                                                                                                                            |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Postponed retirement</b>        | The monthly pension benefit determined as of the actual retirement date                                                                                                                                    |
| <b>Deferred vested termination</b> | The monthly pension benefit determined as of the termination date, payable at the participant's NRD                                                                                                        |
| <b>Disablement</b>                 | The monthly pension benefit determined as of the date of the disablement, payable immediately without reduction for early commencement, but reduced by the participant's other disability benefits, if any |
| <b>Preretirement death</b>         | The monthly preretirement death benefit payable on behalf of an active employee is reduced as in early retirement.                                                                                         |

### Other Plan Provisions

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Forms of payment</b>                   | Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of a 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100%, 75%, or 50% joint and survivor annuity, or (for married participants) a life annuity. Actuarial equivalence is based on the tables found in the plan document (underlying basis of G94U Mortality and 7% interest). |
| <b>Pension increases</b>                  | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Plan participants' contributions</b>   | They are not required or permitted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Maximum limits on benefits and pay</b> | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes take effect. Increases in the dollar limits are not assumed for funding or AFTAP purposes.                                                                                                                                                                                                                                                                                                                                                                                   |

|                |                           |
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### Future Plan Changes

No future plan changes were recognized in determining funding requirements. Willis Towers Watson is not aware of any future plan changes which are required to be reflected other than scheduled pension increases contained in the Collective Bargaining Agreement.

### Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

|                |                           |
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WOOD006HRT Woodward, Inc.  
36-1984010  
FYE: 12/31/2019

**Federal Statements**  
**Woodward HRT Pension Plan**  
**Plan: 006**

**Plan transactions in excess of 5% of plan assets**

| <u>Name</u>        |                             | <u>Purchase<br/>Price</u> | <u>Selling<br/>Price</u> | <u>Lease<br/>Rental</u> | <u>Expenses</u> | <u>Cost of<br/>Asset</u> | <u>Current<br/>Value</u> | <u>Net Gain<br/>or Loss</u> |
|--------------------|-----------------------------|---------------------------|--------------------------|-------------------------|-----------------|--------------------------|--------------------------|-----------------------------|
|                    | <u>Description</u>          |                           |                          |                         |                 |                          |                          |                             |
| THE VANGUARD GROUP |                             |                           |                          |                         |                 |                          |                          |                             |
|                    | FEDERATED MONEY MARKET FUND | \$ 4758373                | \$                       | \$                      | \$              | \$ 4758373               | \$ 4758373               | \$                          |
| THE VANGUARD GROUP |                             |                           |                          |                         |                 |                          |                          |                             |
|                    | FEDERATED MONEY MARKET FUND |                           | 4973140                  |                         |                 | 4973140                  | 4973140                  |                             |

WOOD006HRT Woodward, Inc.

36-1984010

FYE: 12/31/2019

## Federal Statements

### Woodward HRT Pension Plan Plan: 006

#### Assets Held for Investment

| <u>Party in<br/>Interest</u> | <u>Identity</u>    | <u>Description</u>  | <u>Cost</u> | <u>Current<br/>Value</u> |
|------------------------------|--------------------|---------------------|-------------|--------------------------|
| X                            | THE VANGUARD GROUP | CASH ACCOUNT        | \$ 398,301  | \$ 398,301               |
| X                            | THE VANGUARD GROUP | FEDERAL MM FUND     | 435,014     | 435,014                  |
| X                            | THE VANGUARD GROUP | LT INV-GRADE FD ADM | 44,828,954  | 49,629,839               |
| X                            | THE VANGUARD GROUP | TOTAL STOCK MKT IND | 21,509,248  | 55,576,751               |
| X                            | THE VANGUARD GROUP | INTL GROWTH FD AMD  | 30,356,275  | 49,585,965               |