Group Taxation Strategy

Year ended 31 December 2026 – issued on 30 October 2026

Spirax Group

Spirax Group plc – Taxation Strategy

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Introduction

Spirax Group plc (the Group) is a multinational business specialising in thermal energy and fluid technology solutions serving industrial customers over a wide range of sectors. The Group operates through three core divisions:

- Steam Thermal Solutions
- Electric Thermal Solutions
- Watson-Marlow Fluid Technology Solutions

The Group's core values are as follows:

- Safety
- Collaboration
- Customer focus
- Excellence
- Respect
- Integrity

The Group's purpose is to create sustainable value for all our stakeholders as we engineer a more efficient, safe and sustainable world.

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Introduction

The Group's tax strategy supports the strategic objectives of the Group and applies equally to both UK and non-UK taxes and to all forms of tax. The strategy is aligned with the Group's purpose and its core values. The Group pays a significant amount of tax to local and national governments, including corporate income taxes on profits, social taxes on employment, customs and excise duty on purchases, withholding taxes and environmental taxes. We also collect and remit sales taxes charged to our customers and taxes paid by our employees.

This document sets out how the Group manages its tax affairs in accordance with the following:

1. Approach to tax risk management and governance
2. Attitude to tax planning
3. Acceptable levels of tax risk
4. Relationship with tax authorities; including HM Revenue & Customs (HMRC)

The Board of Spirax Group plc reviews the Group tax strategy annually and the latest approval was on 20 October 2026. Re-approval will be sought from the Board for any changes.

The Group regards that the publication of this document fulfils its duty to comply with Paragraph 16(2), Schedule 19 of the Finance Act 2016 (Qualifying UK groups: Duty to publish a group tax strategy) for the year ended 31 December 2026

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Approach to tax risk management and governance

The Board of Spirax Group plc and the Audit and Risk Committee, who receive regular updates on material tax matters from the Group Chief Financial Officer and the Group Head of Tax, review the Group tax strategy at least annually and monitor for required changes.

It is acknowledged that the global taxation landscape is complex and constantly evolving. To reflect this we actively monitor, with the assistance of professional advisors, local and international developments and aim to manage the tax costs and tax risks associated with all commercial transactions in the same way as for other commercial costs. This includes considering how changes in tax legislation in the UK and overseas will impact on our effective and cash tax rates.

The Group's tax governance framework includes a taxation committee that reports to the Audit and Risk Committee, a clear tax policy and a clear policy on the UK Corporate Criminal Offence of failure to prevent the facilitation of tax evasion, for which training is provided to all relevant employees. These policies define accountabilities and determine the level of approval that is required for matters that could create material tax risk. Adherence to the policies is monitored through self-assessment and through collaboration with the Internal Audit function, which executes a rolling programme that examines areas of the business and the processes that are relevant for tax purposes.

Where appropriate we also consider participating in consultation on future tax law change where we believe it is in the Group's best interests to do so.

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Attitude to tax planning

We actively manage our liabilities across all taxes in the UK and overseas, in a manner that is consistent with the Group's values, our corporate and social responsibilities, our brand reputation and in a manner which reflects the commercial operations of our business. The Group seeks to ensure that we pay the right amount of tax in the territories where we operate. We are committed to observing all applicable laws, rules, regulations and disclosure requirements where, because of either our business presence or transactions, there is a requirement to do so. The Group does not tolerate tax evasion or the facilitation of tax evasion by any of its employees or associates.

Occasionally the Group may use entities outside of the UK to provide finance facilities to the Group's non-UK investments. When doing so we consider the commercial substance and the legal and the economic environment in the relevant countries.

The Group claims available allowances, credits, deductions, exemptions, incentives and reliefs where it is beneficial and appropriate to do so. Examples include tax incentives for research and development and the utilisation of incentivisation regimes for intellectual property. We do not implement tax planning, transactions or structures that are notifiable to tax authorities under mandatory tax avoidance disclosure regimes. Our business model, which values customer focus, recognises that a degree of commercial autonomy is required by the companies within the Group. To achieve this, we operate transfer pricing policies where the transfers of all goods and services between related companies are conducted on an arm's length basis.

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Acceptable levels of tax risk

The Group takes compliance with all relevant tax law in the countries where we operate very seriously. We recognise that tax laws are complex and may be open to different interpretation. Where there is ambiguity, the Group will, when reviewing its tax filing positions, take appropriate professional advice to understand and manage any associated risk.

Group Tax communicates with our businesses ensuring the Group tax policy is understood, adopted and consistently applied within the Group, defining clear lines of responsibility and accountability.

When considering what constitutes an acceptable level of tax risk, the Group will consider, on a case-by-case basis, the following factors:

- The Group's purpose and its values
- The legal and fiduciary duties of Directors and employees
- The requirements set out in related internal policies and procedures
- The impact on the Group's business and corporate reputation
- The related financial and operational risks
- The potential impact on our relationship with any tax authorities

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Relationship with tax authorities

The Group is committed to an open and transparent approach to dealing with all tax authorities, to include HMRC, based on the following:

- Making accurate and timely disclosures and publishing data that is legally required
- Responding to all enquiries in a timely fashion
- Fostering an open, respectful and transparent relationship
- Acting in a professional, polite manner
- Actively seeking to resolve any difference of views through open dialogue wherever possible

In the UK we engage with HMRC and are available to meet with our Customer Compliance Manager on a periodic basis. The Group Chief Financial Officer is also the Senior Accounting Officer (SAO) and is responsible for the annual SAO certification to HMRC. We take satisfaction from being rated as low risk for the purpose of HMRC's Business Risk review.

Where we consider that risk or uncertainty could exist, and the relevant tax authority offers the possibility of early engagement we will actively engage in dialogue on a real-time or pre-filing basis where it is practical to do so.