

Board Diversity Policy

March 2024

Purpose

1. Spirax Group¹ recognises its talented and diverse workforce as a key competitive advantage. We encourage equality, diversity and inclusion in the workplace because it is in line with our Company Values, makes good business sense and it is the right thing to do. We believe that the Board's perspective and approach is also greatly enhanced by all aspects of diversity.
2. The purpose of this Board Diversity Policy is to ensure an inclusive and diverse membership of the Board of Directors of Spirax-Sarco Engineering plc (the "Board") resulting in optimal decision-making and assisting in the development and execution of a strategy which promotes the success of Spirax Group for the benefit of its shareholders as a whole, having regard to the interests of other stakeholders.

Policy application

3. This policy applies to the Board of Directors.

Policy Statement

4. The Board believes that:
 - a. it is critical that membership of the Board includes a diverse mixture of skills, professional and industry backgrounds, geographical experience and expertise, gender, tenure, ethnicity and diversity of thought;
 - b. a diverse Board with a range of views, insights, perspectives and opinions will improve its decision making and be of benefit to the Company's shareholders and other stakeholders; and
 - c. a culture of inclusion and diversity is cultivated through clear tone from the top, with the Board and Group Executive Committee (GEC) championing diversity and inclusion in support of Spirax Group's Values.

Diversity Objectives

5. The Board aspires to maintain a balance so that:
 - a. gender parity on the Board is the ultimate goal, with a commitment to 40%-60% gender balance / gender representation with no less than 40% female gender.
 - b. at least one director is from an ethnic minority background²
 - c. at least one of the Chair, Senior Independent Director, Group Chief Executive Officer or Chief Financial Officer role is held by a woman; and
 - d. increase the ethnic diversity of our Board from 30% (in 2022) and GEC from 25% (in 2022);

¹ On 22 February 2024, Spirax-Sarco Engineering rebranded as Spirax Group. We are proposing to change our legal name in alignment to Spirax Group plc subject to shareholder approval at our AGM on 15 May 2024.

² As defined by the Parker Review

while recognising that periods of change in Board composition may result in temporary periods when this balance is not achieved.

6. The Board supports the recommendations set out in the FTSE Women Leaders Review on gender diversity and the Parker Review on ethnic diversity.
7. The Board supports and monitors management's actions to increase the proportion of senior leadership roles held by women, people from ethnic minority backgrounds and other under-represented groups across Spirax Group in support of the FTSE Women Leaders Review and Parker Review recommendations.

Monitoring and Reporting

8. The Nomination Committee is responsible for ensuring that the Board has the right balance of skills, experience and knowledge and, in accordance with its terms of reference, shall:
 - a. regularly review Board composition, succession planning, talent development and the broader aspects of diversity;
 - b. work with executive search firms who understand the Group's Values and approach to diversity, including this Board Diversity Policy, and will comply with those Values and approach in identifying and proposing suitable candidates for appointment to the Board;
 - c. identify suitable candidates for appointment to the Board on merit against an objective criteria having regard to:
 - i. the benefits of diversity in promoting the success of Spirax Group for the benefit of its shareholders as a whole; and
 - ii. the skills, experience, background, independence and expertise of current members of the Board;
 - d. report annually in the corporate governance section of the Annual Report on the implementation of the Board Diversity Policy and other matters as required by the UK Corporate Governance Code and other regulatory and statutory requirements; and
 - e. review the Board Diversity Policy regularly and recommend any revisions to the Board.

Approved by the Spirax-Sarco Engineering plc Board of Directors on 5th March 2024.