

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt about the action you should take, you are recommended immediately to seek your own financial advice from your stockbroker, bank manager, auditor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in Spirax-Sarco Engineering plc please pass this document and the accompanying documents (but not the personalised Form of Proxy) as soon as possible to the purchaser or transferee or to the agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

**Spirax-Sarco Engineering plc**  
**Circular to Shareholders**  
and  
**Notice of Annual General Meeting**  
to be held at  
**Charlton House**  
**Cirencester Road**  
**Cheltenham**  
**Gloucestershire**  
**GL53 8ER**  
on  
**Wednesday, 15th May 2019 at 2.00 pm**

The Notice convening the Annual General Meeting appears at the end of this document.

Forms of Proxy for use at the Annual General Meeting should be completed and returned to the Company's Registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, BN99 6DA as soon as possible and, in any event, so as to arrive not less than 48 hours, excluding non-business days, before the time of the Meeting. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so. Please refer to page 10 for full details.

At the Annual General Meeting shareholders will be invited to vote on a resolution by resolution basis by way of a polled vote; the results will be announced instantaneously using the Equiniti "VoteNow" polling system. Shortly after the conclusion of the Annual General Meeting, the results will also be announced on the Group's website, [www.spiraxsarcoengineering.com](http://www.spiraxsarcoengineering.com), and the London Stock Exchange.



## Spirax-Sarco Engineering plc

(Registered in England No. 596337)

Registered office:  
Charlton House  
Cirencester Road  
Cheltenham  
Glos.  
GL53 8ER

22nd March 2019

## Part I – Letter from the Chair

### Dear Shareholder,

This Circular accompanies the Annual Report and the audited Financial Statements of the Company for the year ended 31st December 2018.

The consideration of resolutions at the Annual General Meeting (AGM) is important. Your Directors believe that in the interests of shareholder democracy it is critical that the voting intentions of all members are taken into account, not just those who are able to attend the AGM.

We therefore propose to put all resolutions at the AGM to shareholders by way of a poll rather than a show of hands. The Board considers that a poll is more democratic since it allows the votes of all shareholders to be counted and electronic voting enables poll voting results to be obtained efficiently and effectively. Shareholders attending the AGM will still have the opportunity to ask questions, form a view on the points raised and vote on each resolution.

If you would like to vote on the resolutions but cannot come to the AGM, you can appoint a proxy to exercise all or any of your rights to attend, vote and speak at the AGM. Please see the Form of Proxy section in the notes to the Notice of Annual General Meeting for information.

The purpose of this Circular is to explain certain elements of the business to be conducted at the AGM, including the ordinary resolutions (numbered 1 to 16) and the special resolutions (numbered 17 to 19).

### Notice of Annual General Meeting

You will find the Notice of Annual General Meeting of the Company, which is to be held at Spirax-Sarco Engineering plc, Charlton House, Cirencester Road, Cheltenham, Gloucestershire, GL53 8ER on 15th May 2019 at 2.00 pm, set out in Part II of this Circular on pages 7 to 10.

### Ordinary Resolutions

#### Resolution 1 – Annual Report

The receipt and consideration of the Company's Annual Report 2018.

#### Resolution 2 – Annual Report on Remuneration 2018

In accordance with Section 439 of the Companies Act 2006 (2006 Act) your Board is asking for your approval of the Annual Report on Remuneration 2018 (other than the part containing the Directors' Remuneration Policy 2017), as set out on pages 95 to 109 of the Company's Annual Report for the year ended 31st December 2018. This part of the Report is, as in previous years, put to an advisory shareholder vote.

The Company is required to put the Directors' Remuneration Policy 2017 to a binding vote of the shareholders at least once every three years or on a more frequent basis if changes to it are proposed. The Directors' Remuneration Policy 2017 was approved at the AGM in 2017 and no changes are proposed.

#### Resolution 3 – Final Dividend

The proposal recommended by the Directors to pay a final dividend of 71.0 pence per Ordinary share on 24th May 2019 to all shareholders on the register of members at 5.00 pm on 26th April 2019.

#### Resolution 4 – Auditor

The 2006 Act requires that an auditor be appointed at each general meeting at which accounts are laid, to hold office until the next such meeting. This resolution seeks shareholder approval for the re-appointment of Deloitte LLP as the Company's auditor. The Audit Committee has recommended the re-appointment of Deloitte LLP and has confirmed that such recommendation is free from influence by a third party and that no restrictive contractual terms have been imposed on the Company. The Directors are therefore recommending the re-appointment of Deloitte LLP.

#### Resolution 5 – Auditor Remuneration

The proposal to authorise the Directors to fix the remuneration of Deloitte LLP for the audit work to be carried out by them in the next financial year.

#### Resolutions 6 to 14 – Election or Re-election of Directors

Resolutions 6 to 14 deal with the election or re-election (as the case may be) of Directors in accordance with the requirements of the Company's Articles of Association and the UK Corporate Governance Code 2018 (Code).

The Code provides for all Directors to be subject to annual election by their shareholders. Accordingly, in keeping with the Board's aim of following best corporate governance practice, all members of the Board are standing for election or re-election, with the exception of Clive Watson who is retiring from the position of Non-Executive Director and Senior Independent Director at the conclusion of the AGM.

I confirm that, following a formal performance evaluation, each Director's performance continues to be effective and each Director demonstrates commitment to the role. Details of each of the Directors seeking election or re-election (as the case may be) are set out below. Please also see the Annual Report 2018, which sets out the reasons why each Director's contribution is important for the long-term success of the Company in accordance with Code provision 18.

**Jamie Pike MBA, MA, MIMechE** Non-Executive Chair

Committees: Nomination (Chair)  
 Appointed to the Board: May 2014. Appointed Chair in May 2018  
 Areas of experience: Senior management, engineering, international  
 External appointments: Chair of RPC Group

**Background:**

Jamie Pike joined Burmah Castrol in 1991 and was Chief Executive of Burmah Castrol Chemicals before leading the Foseco buy-out in 2001 and its subsequent flotation in 2005. Prior to joining Burmah, he was a partner at Bain & Company. Jamie was educated at Oxford, holds an MBA from INSEAD and is a Member of the Institute of Mechanical Engineers.

**Nicholas Anderson BSc Engineering, MBA** Group Chief Executive

Committees: Nomination, Risk Management (Chair)  
 Appointed to the Board: March 2012. Appointed Chief Operating Officer in August 2013 and Group Chief Executive in January 2014  
 Areas of experience: International, operational, industrial, sales and marketing, engineering, strategy, M&A

**Background:**

Before joining the Group in 2011 as Director EMEA, Nicholas Anderson was Vice-President of John Crane Asia Pacific (part of Smiths Group plc), based in Singapore, and President of John Crane Latin America, based in the USA. Previously, Nicholas held senior positions with Alcoa Aluminio in Argentina and the Foseco Minsep Group plc in Brazil.

**Kevin Boyd BEng, CEng, FIET, FCA** Chief Financial Officer

Committees: Risk Management  
 Appointed to the Board: May 2016  
 Areas of experience: Finance and accounting, engineering, pensions, international, M&A  
 External appointments: Non-Executive Director of EMIS Group plc

**Background:**

Before joining the Group in 2016, Kevin Boyd was Group Finance Director for Oxford Instruments plc. Prior to that he was Group Finance Director of Radstone Technology plc and previously held senior finance positions within Siroyan Ltd and the TI Group (now Smiths Group plc). Kevin is a Chartered Engineer, a Chartered Accountant and a Fellow of the Institute of Chartered Accountants and the Institution of Engineering and Technology.

**Neil Daws CEng, FIMechE** Managing Director, Steam Specialties.

Committees: Risk Management  
 Appointed to the Board: June 2003  
 Areas of experience: Manufacturing, engineering, product development, sales and marketing, broad operational experience

**Background:**

Neil Daws joined the Group in 1978 and held positions in production and design engineering prior to being named as UK Supply Director. Following this Neil has held responsibility for Asia Pacific, Latin America, EMEA and the Group's Supply operations, including the Group's health, safety and environmental matters and, more recently, EMEA.

**Jay Whalen BA, MBA** Executive Director, WMFTG

Committees: Risk Management  
 Appointed to the Board: March 2012  
 Areas of experience: Sales and marketing, engineering, product development, operational, international business development

**Background:**

Jay Whalen joined the Group in 1991 as President of Watson-Marlow Inc. in the USA. He was named Sales and Marketing Director of the global Watson-Marlow business in 2002 and in 2010 was appointed to his current Group position of President, Watson-Marlow Fluid Technology Group. Prior to joining Watson-Marlow, Jay was Vice-President Operations for Harvard Bioscience, Inc.

**Peter France** Independent Non-Executive Director

Committees: Audit, Nomination, Remuneration  
 Appointed to the Board: March 2018  
 Areas of experience: International, operational, industrial, sales and marketing, engineering  
 External appointments: Chief Executive Officer of ASCO Group Limited

**Background:**

Peter France was Chief Executive Officer of Rotork plc from 2008 to 2017. He also gained wide experience in a number of key roles at Rotork plc from 1989 to 2008 including acting as Chief Operating Officer and Director of Rotork South East Asia based in Singapore. Peter is a Chartered Director of the Institute of Directors.

**Jane Kingston BA** Independent Non-Executive Director

Committees: Audit, Nomination, Remuneration (Chair)  
 Appointed to the Board: September 2016  
 Areas of experience: Human Resources, remuneration, international, engineering  
 External appointments: Non-Executive Director of National Express Group plc and Inchcape plc

## Background:

From 2006 until her retirement in December 2015, Jane Kingston served as Group Human Resources Director for Compass Group PLC. Prior to this, she served as Group Human Resources Director for BPB plc. Jane has worked in a variety of sectors, including roles with Blue Circle Industries plc, Enodis plc and Coats Viyella plc and has significant international experience.

**Trudy Schoolenberg PhD** Independent Non-Executive Director

Committees: Audit, Nomination, Remuneration  
 Appointed to the Board: August 2012  
 Areas of experience: Engineering, product development, oil and petrochemical  
 External appointments: Non-Executive Director of COVA and Low & Bonar PLC. Non-Executive Director and Senior Independent Director of Accsys Technologies plc

## Background:

Prior to her most recent position at AkzoNobel, Trudy Schoolenberg served as Vice-President of Global Research & Development at Wärtsilä Oy. Trudy previously held senior management positions with Royal Dutch Shell plc and was Head of Strategy for Shell Chemicals. Until October 2016, Trudy served as Director of Integrated Supply Chain and Research, Development and Innovation, Decorative Paints Division of AkzoNobel.

**Caroline Johnstone CA BA** Independent Non-Executive Director

Committees: Audit, Nomination, Remuneration  
 Appointed to the Board: 5th March 2019  
 Areas of experience: Finance, people development/HR, international, M&A  
 External appointments: Non-Executive Director of Synthomer plc and Shepherd Group Ltd, a private company which owns Portakabin Limited and Member of the Governing body of the University of Leeds

## Background:

Until 2009, Caroline Johnstone was a partner in PricewaterhouseCoopers (PwC) and worked extensively with large global organisations on turnaround, culture change, delivering value from mergers and acquisitions and cost optimisation programmes. She sat on the board of the Assurance practice of PwC in the UK. Caroline is a chartered accountant and a member of the Institute of Chartered Accountants of Scotland. She also provides extensive consulting services to a range of global chemical and industrial organisations.

**Resolution 15 – Issue New Shares**

Resolution 15 renews the authority granted to the Directors to allot new shares in accordance with Section 551 of the 2006 Act. The Investment Association's Share Capital Management Guidelines allow this authority to apply up to a nominal amount of 33.33% of the issued Ordinary share capital. However, the Directors only wish to have this authority up to 25%. Therefore, the Directors seek authority to allot new shares in accordance with Section 551 of the 2006 Act up to a nominal amount of £4,959,005 being 25% of the issued Ordinary share capital at 15th March 2019 (being the latest practicable date prior to publication of this Circular). This authority will expire on the date of the next AGM or on 30th June 2020, whichever is the earlier. The Directors have no present intention of exercising this authority, other than for small value allotments in the normal course of business, i.e. the Employee Share Ownership Plan.

**Resolution 16 – Scrip Alternative**

At the AGM held in 2018, shareholders authorised the Directors to offer a scrip alternative to any dividend declared or paid in the period up to the date of the AGM to be held in 2023 or, if earlier, 8th May 2023. A scrip alternative will not be offered for the financial year ended 31st December 2018 but the Directors consider it prudent to maintain the facility to provide this alternative for shareholders should circumstances alter so as to make a scrip alternative appropriate. In accordance with the Articles of Association, Resolution 16 will be proposed as an ordinary resolution to renew this authority for five years ending on the date of the AGM to be held in 2024 or, if earlier, on 14th May 2024, although it is the Directors' intention to renew this authority annually.

**Special Resolutions****Resolution 17 – Disapply Pre-emption Rights**

Resolution 17 renews the Directors' authority in accordance with Section 561 of the 2006 Act to allot further shares for cash, pursuant to the authority granted by Resolution 15, without first being required to offer such shares to existing shareholders. If approved, the Resolution will authorise the Directors to issue shares in connection with a rights issue or open offer and otherwise to issue shares for cash, excluding the sale on a non pre-emptive basis of treasury shares for cash, up to a maximum nominal amount of £991,801, being 5% of the nominal value of the Company's issued Ordinary share capital on 15th March 2019 (being the latest practicable date prior to the publication of this Circular). In accordance with the Investment Association's Share Capital Management Guidelines and the Pre-Emption Group's Statement of Principles, the Directors do not intend to issue more than 7.5% of the issued share capital of the Company for cash on a non pre-emptive basis in any rolling three-year period without prior consultation with the shareholders. This authority will expire on the date of the next AGM or on 30th June 2020, whichever is the earlier. The Directors have no present intention of exercising this authority, other than for small value allotments in the normal course of business, i.e. the Employee Share Ownership Plan.

### **Resolution 18 – Purchase Own Shares**

Resolution 18 renews the Directors' authority to make market purchases of its own Ordinary shares as permitted by the 2006 Act.

The maximum aggregate number of Ordinary shares which may be purchased would be 7,367,664 which represents approximately 10% of the Company's existing Ordinary share capital as at 15th March 2019 (being the latest practicable date prior to publication of this Circular). The minimum price (excluding expenses) which may be paid for each share purchased under this authority is 26<sup>12</sup>/<sub>13</sub>p. The maximum price (excluding expenses) which may be paid for a share purchased under this authority is an amount equal to the higher of (i) 5% above the average of the middle market quotations of the Company's Ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased and (ii) the higher of the price of the last independent trade and the highest current independent bid on the market where the purchase is carried out. This renewed authority will expire on the date of the next AGM or on 30th June 2020, whichever is the earlier.

The share re-purchases made to date under the authorities granted by shareholders have enhanced earnings per share to the benefit of all shareholders. The Board believes that it would be appropriate to have the option to use a proportion of the Company's cash resources to make further market re-purchases of Ordinary shares.

The Company will only exercise the authority granted by the proposed Resolution where the Board reasonably believes that repurchasing its shares will increase earnings per share of the Ordinary shares in issue after the purchase and, accordingly, is in the best interests of shareholders generally.

The number of options and Performance Share Plan (PSP) awards to subscribe for equity shares that are outstanding at 15th March 2019 is 373,140, being 0.50% of the issued Ordinary share capital at that date. If the authority to purchase the Company's Ordinary shares was exercised in full, these options and PSP awards would represent 0.56% of the Company's issued Ordinary share capital. The Company has no warrants to subscribe for equity shares that are outstanding at 15th March 2019.

The 2006 Act permits certain listed companies to hold shares in treasury, as an alternative to cancelling them, following a purchase of own shares by the company. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy share options and share awards under share plans. Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of the shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares.

Any shares purchased by the Company pursuant to the authority conferred by Resolution 18 will either be cancelled and the number of shares reduced accordingly or, if the Directors think fit, they may be held as treasury shares. As at 15th March 2019, the Company held no Ordinary shares in treasury. This authority will expire on the date of the next AGM or on 30th June 2020, whichever is the earlier.

The Directors have no present intention of exercising this authority.

### **Resolution 19 – Amendment to Articles of Association**

The Company's Articles of Association currently restrict the Company's borrowings to the greater of £400 million or two times adjusted capital and reserves - Articles 66 (2) (a) and Article 66 (3).

Adjusted capital and reserves is calculated after deducting the book values of intangible assets shown in the balance sheet. This deduction is not aligned with the practice of our peer group of major industrial engineering companies. Accordingly, the Board proposes that this is remedied by amending Article 66 (3) to remove the deduction of intangible assets and instead include intangible assets in the calculation of two times adjusted capital and reserves.

### **Action to be taken**

Whether or not you are able to attend the Meeting, please complete and return the Form of Proxy so as to reach the Registrars not less than 48 hours, excluding non-business days, before the time of the Meeting. Completion and return of a Form of Proxy will not prevent you from attending and voting in person at the Meeting if you so wish.

### **Recommendation**

Your Directors believe that all the proposals to be considered at the AGM will promote the success of the Company and are in the best interests of the Company and its shareholders as a whole and recommend shareholders to vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 131,514 shares (as at 15th March 2019), representing approximately 0.17% of the existing issued share capital of the Company, save in respect of those resolutions in which they are interested.

Yours faithfully,

**Jamie Pike**

Chair

## Part II – Notice of Annual General Meeting

Notice is hereby given that the sixty-second Annual General Meeting of Spirax-Sarco Engineering plc will be held at Spirax-Sarco Engineering plc, Charlton House, Cirencester Road, Cheltenham, Gloucestershire, GL53 8ER on 15th May 2019 at 2.00 pm to consider and, if thought fit, to pass Resolutions 1 to 16 inclusive as ordinary resolutions and Resolutions 17 to 19 inclusive as special resolutions.

### Ordinary Resolutions

1. To receive and consider the Company's Financial Statements, the Strategic Report and the reports of the Directors of the Company and the auditor of the Company for the year ended 31st December 2018.
2. To approve the Annual Report on Remuneration (other than the part containing the Directors' Remuneration Policy 2017) for the year ended 31st December 2018, as set out on pages 95 to 109 of the Annual Report 2018.
3. To declare a final dividend for the year ended 31st December 2018 of 71.0 pence for each Ordinary share in the capital of the Company.
4. To re-appoint Deloitte LLP as auditor of the Company to hold office from the conclusion of this Meeting until the conclusion of the next General Meeting at which Financial Statements are laid before the Company.
5. To authorise the Directors to determine the remuneration of Deloitte LLP as auditor of the Company.
6. To re-elect Mr J. Pike as a Director.
7. To re-elect Mr N.J. Anderson as a Director.
8. To re-elect Mr K.J. Boyd as a Director.
9. To re-elect Mr N.H. Daws as a Director.
10. To re-elect Mr J.L. Whalen as a Director.
11. To re-elect Miss J.S. Kingston as a Director.
12. To re-elect Dr G.E. Schoolenberg as a Director.
13. To re-elect Mr P. France as a Director.
14. To elect Mrs C.A. Johnstone as a Director.
15. That:
  - (a) the Directors be generally and unconditionally authorised, in accordance with Section 551 of the Companies Act 2006, to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company (Rights) up to a maximum nominal amount of 25.0% of the issued Ordinary share capital (£4,959,005);
  - (b) this authority shall expire at the conclusion of the next AGM of the Company after the passing of this Resolution or, if earlier, at the close of business on 30th June 2020;
  - (c) the Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after it expires and the Directors may allot shares or grant Rights in pursuance of such offer or agreement as if this authority had not expired; and
  - (d) all previous unutilised authorities under Section 551 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to Section 551(7) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this Resolution which would or might require shares to be allotted or Rights to be granted on or after that date).
16. That approval be and is hereby given to the exercise by the Directors of the power conferred upon them by Article 110 of the Company's Articles of Association in respect of any dividends declared or paid in the period up to and including the date of the AGM to be held in 2024 or, if earlier, 14th May 2024 (scrip alternative).

### Special Resolution

17. That:
  - (a) the Directors be given power (subject to the passing of Resolution 15), to allot equity securities (as defined in Section 560 of the Companies Act 2006) for cash pursuant to the authority conferred on them by that Resolution under Section 551 of the Companies Act 2006 and to allot equity securities as defined in Section 560(3) of the Companies Act 2006, (sale of treasury shares) for cash, in either case as if Section 561 of the Companies Act 2006 did not apply to the allotment but this power shall be limited:
    - (i) to the allotment of equity securities in connection with an offer or issue of equity securities to or in favour of:
      - I. holders of Ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and

II. holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

and so that the Directors may make such exclusions or other arrangements as they consider expedient in relation to treasury shares, fractional entitlements, record dates, shares represented by depositary receipts, legal or practical problems under the laws in any territory or the requirements of any relevant regulatory body or stock exchange or any other matter; and

- (ii) to the allotment of equity securities pursuant to the authority granted under Resolution 15 and/or by virtue of Section 560(3) of the Companies Act 2006 (in each case otherwise than under (i) above) up to a maximum nominal amount of £991,801;
  - (b) this power shall expire at the conclusion of the next AGM of the Company after the passing of this Resolution or, if earlier, at the close of business on 30th June 2020;
  - (c) all previous unutilised authorities under Sections 570 and 573 of the Companies Act 2006 shall cease to have effect (save to the extent that the same are exercisable pursuant to Section 570(4) of the Companies Act 2006 by reason of any offer or agreement made prior to the date of this Resolution which would or might require equity securities to be allotted on or after that date); and
  - (d) the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired.
18. That, in accordance with the Companies Act 2006, the Company be and is hereby unconditionally and generally authorised to make market purchases (as defined in Section 693 of the Companies Act 2006) of Ordinary shares in the capital of the Company on such terms and in such manner as the Directors may determine, provided that:
- (a) the maximum number of shares which may be purchased under this authority is 7,367,664;
  - (b) the minimum price (excluding expenses) which may be paid for each share purchased under this authority is 26<sup>12</sup>/<sub>13</sub>p;
  - (c) the maximum price (excluding expenses) which may be paid for a share purchased under this authority shall be not more than the higher of an amount equal to:
    - (i) 5% above the average of the middle market quotations of the Company's Ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such a share is contracted to be purchased; and
    - (ii) the higher of the price of the last independent trade and the highest current independent bid on the market where the purchase is carried out;
  - (d) this authority shall expire at the conclusion of the next AGM of the Company after the passing of this Resolution, or at close of business on 30th June 2020, whichever is earlier, unless such authority is renewed prior to such time;
  - (e) the Company may make a contract or contracts to purchase Ordinary shares under this authority before its expiry which will or may be executed wholly or partly after the expiry of this authority and may make a purchase of Ordinary shares in pursuance of such contract; and
  - (f) all existing authorities for the Company to make market purchases of Ordinary shares are revoked, except in relation to the purchase of shares under a contract or contracts concluded before the date of this Resolution and which has or have not yet been executed.

19. Article 66 (3) to be amended as follows:

Sub-Article 66 (3) (a) (iii) (A) shall be deleted. Article 66 (3) (a) (iii) shall read as follows:

"deducting the amount of any distribution declared, recommended or made by any Group company to a person other than another Group company out of profits accrued up to and including the date of (and to the extent not provided for in) the relevant balance sheet;"

By order of the Board

**Andy Robson**

Group General Counsel and Company Secretary  
22nd March 2019

Registered office:  
Charlton House  
Cirencester Road  
Cheltenham  
Glos.  
GL53 8ER

Registered in England No. 596337

## Notes

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to exercise all or any of his/her rights to attend and to speak and vote instead of him/her. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a member of the Company.
2. Any shareholder with more than one ordinary shareholding registered in his/her name should receive only one copy of the Annual Report and one Form of Proxy. The Form of Proxy will be valid in respect of all his/her holdings. If you do not have a Form of Proxy and believe you should have one, or if you require additional Forms, please contact the Company's Registrars, Equiniti on 0371 384 2349\* (UK) or +44(0)121 415 7047 (overseas). (\* Lines are open from 8.30 am to 5.30 pm, Monday to Friday, excluding public holidays in England or Wales.)
3. The Company specifies that only those shareholders entered on the Company's register of members at 6.30 pm on 13th May 2019 or, if the meeting is adjourned, on the Company's register of members at 6.30 pm two business days before the adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in his/her name at that time. Changes to the entries on the Company's register of members after 6.30 pm on 13th May 2019 or, if the meeting is adjourned, at 6.30 pm two business days before the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.
4. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual member provided that they do not do so in relation to the same shares.
5. A member attending the meeting has the right to ask questions relating to the business being dealt with at the meeting in accordance with Section 319A of the 2006 Act. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
6. It is possible that, pursuant to requests made by members of the Company under Section 527 of the 2006 Act, the Company may be required to publish on its website a statement setting out any matter relating to: (i) the audit of the Company's Financial Statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid. The Company may not require the members requesting such website publication to pay its expenses in complying with Sections 527 and 528 of the 2006 Act and it must forward the statement to the Company's auditor no later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under Section 527 of the 2006 Act to publish on its website.
7. Copies of the register of Directors' interests in the share capital of the Company, all service agreements under which Directors of the Company are employed by the Company or any of its subsidiaries and the Non-Executive Directors' letters of appointment are available for inspection at the Company's registered office during business hours on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this Notice until the conclusion of the AGM and will also be available for inspection at the place of the meeting from 15 minutes before it is held until its conclusion.
8. Shareholders (and any proxies or representatives they appoint) agree, by attending the Meeting, that they are expressly requesting and that they are willing to receive any communications (including communications relating to the Company's securities) made at the Meeting.
9. A copy of this Notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006. The right to appoint proxies does not apply to persons nominated to receive information rights under Section 146 of the 2006 Act. Persons nominated to receive information rights under Section 146 of the 2006 Act who have been sent a copy of this Notice of Meeting are hereby informed, in accordance with Section 149(2) of the 2006 Act, that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this Meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.
10. The issued share capital of the Company as at 15th March 2019 (being the latest practicable date prior to the publication of this Notice) was 73,676,646 Ordinary shares, carrying one vote each. The Company holds no Ordinary shares in treasury. The Company holds 46,089 shares in the Spirax-Sarco Employee Benefit Trust. The total number of voting rights in the Company as at 15th March 2019 was 73,676,646.
11. In accordance with Section 311A of the 2006 Act, the contents of this Notice, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this Notice can be found at [www.spiraxsarcoengineering.com](http://www.spiraxsarcoengineering.com).

## Guidance notes for completion of the Form of Proxy

12. If you wish to appoint a proxy to attend and to speak and vote on your behalf, please complete the Form of Proxy and return it, together with any power of attorney or other authority (or a duly certified copy of such power or authority) under which it is executed by one of the following methods:
- in hard copy form by post, by courier or by hand to the Company's Registrars, Equiniti; or
  - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in notes 19 to 22 below, so as to be received no later than 2.00 pm on 13th May 2019.

### *Electronic appointment of proxies*

13. As an alternative to completing the hard copy Form of Proxy, you can appoint a proxy electronically by logging on to [www.sharevote.co.uk](http://www.sharevote.co.uk). You will need to have available the 25-digit number made up of your Voting ID, Task ID and Shareholder Reference Number printed on your Form of Proxy. Full details of the procedure are given on the website. Your electronic proxy appointment and/or voting instructions must be received no later than 2.00 pm on 13th May 2019.
14. You can appoint the Chair of the Meeting, or any other person, as your proxy. If you wish to appoint someone other than the Chair, cross out the words "the Chair of the Meeting or" on the Form of Proxy and insert the name of your proxy in the box provided.
15. You can instruct your proxy how to vote on each Resolution by placing an "X" in the For, Against or Vote Withheld boxes, as appropriate. If you do not indicate on the Form of Proxy how your proxy should vote, he/she can exercise his/her discretion as to whether, and if so how, he/she votes on each Resolution, as he/she will do in respect of any other business which may properly come before the Meeting.
16. You must sign and date the Form of Proxy in the boxes provided. In the case of joint shareholders, only one need sign the Form of Proxy. The vote of the senior joint shareholder will be accepted to the exclusion of the votes of the other joint shareholders. For this purpose, seniority will be determined by the order in which the names of the shareholders appear in the register of members in respect of the joint shareholding. If the Form of Proxy is signed by someone else on behalf of the registered holder(s), the appropriate power of attorney or other authority (or a duly certified copy of such power or authority) under which it is executed must be returned with the Form of Proxy.
17. A corporation should execute the Form of Proxy under its common seal or otherwise in accordance with Section 44 of the Companies Act 2006 or by signature on its behalf by a duly authorised officer or attorney whose power of attorney or other authority should be returned with the Form of Proxy.
18. To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact Equiniti on 0371 384 2349\* (UK) or + 44(0)121 415 7047 (overseas). The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last sent shall be treated as replacing and revoking the other or others. (\* Lines are open from 8.30 am to 5.30 pm, Monday to Friday, excluding public holidays in England and Wales.)
19. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual on the Euroclear website ([www.euroclear.com](http://www.euroclear.com)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
20. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number – ID RA19) by the latest time(s) for receipt of proxy appointments specified in the Notice of Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
21. CREST members and, where applicable, their CREST sponsor, or voting service provider(s) should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
22. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
23. You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.