Engineering a more sustainable future.

Investor Seminar

29 June 2022

Investor Seminar

Welcome and Context.

Nimesh Patel
Chief Financial Officer

Today’s agenda

Session 1
Welcome and context
Nimesh Patel

Session 2
ETS strategic fit
Nicholas Anderson

Session 3
Introducing ETS
Armando Pazos

Session 4
Why ETS is differentiated
Christopher Molnar

Session 5
Drivers of growth
Armando Pazos

Session 6
What ETS will deliver
William Croyle

Session 7
Q&A
Nimesh Patel

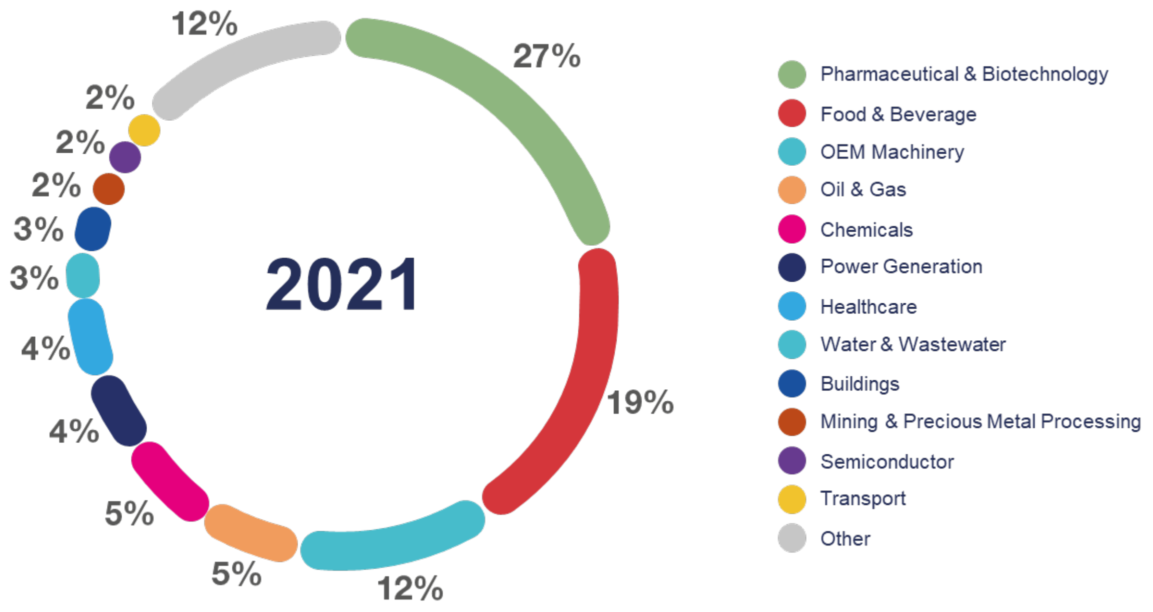
Group update

- Global IP now forecasted at 3.6% for 2022, down from 4.4% in February
- Strong demand and order books remain at all time highs
- China lockdown impact in H1; no impact on full year absent further lockdowns
- Manufacturing capacity expanded and supply chain disruption being managed
- Active price management offsetting inflation; no impact on margin
- Continued revenue investments; FY margin expected to be above pre-pandemic levels
- Higher capex in 2022 reflecting capacity expansions; balance sheet remains strong

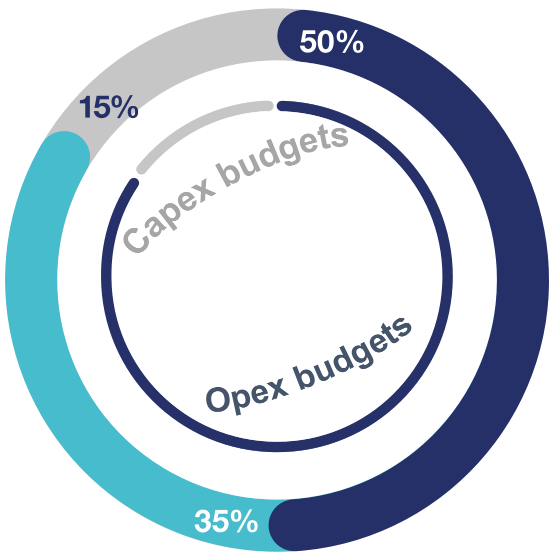
Our full year expectations remain unchanged

Sources of our resilience

Over 60% of Group revenue derived from defensive, less cyclical end markets



85% of Group revenue generated from annual maintenance and operational budgets



- **Maintenance and repair sales**
  Typical invoice value £1.3k
- **Small project sales**
  Typical invoice value £10-50k
- **Large project sales**
  Typical invoice value >£100k

Our value proposition

Benefits of our direct sales approach

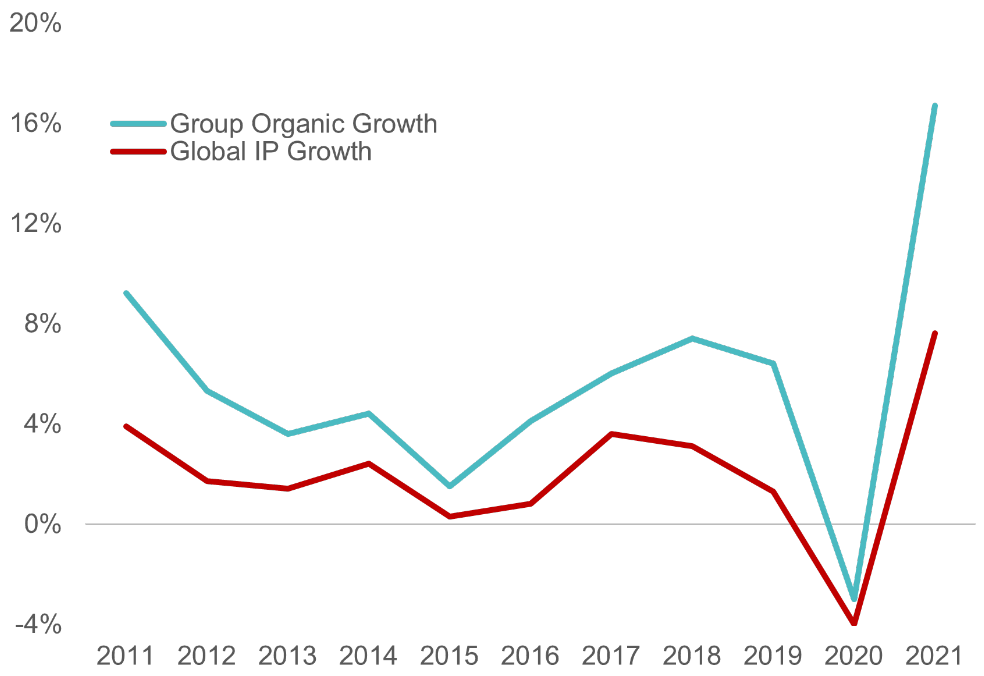
- Productivity and reliability
- Sustainability

Solutions to meet customers' critical needs through the cycle

- Efficiency and cost
- Sustainability

2,000 direct sales and service engineers

Sustained organic growth above IP



Our long term investment case

Long Term Addressable Market Growth

Continued growth in global Industrial Production (IP)	Demand for energy efficiency solutions…	Demand for decarbonisation solutions…
…driven by population growth and emerging markets development	…in response to growing demand for energy	…in response to the global goal of achieving net zero

Financial Track Record

- Delivery of organic revenue growth >IP
- Attractive margins
- Strong cash generation
- Earnings and dividend growth

ETS within our Group

Three world-leading niche businesses

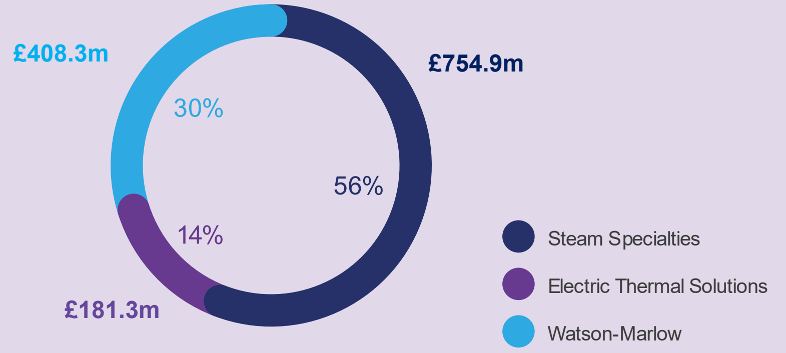
Spirax-Sarco Engineering plc

Thermal Energy Management

Steam Specialties	Electric Thermal Solutions	Watson-Marlow
spirax sarco; GESTRA	CHROMALOX; THERMOCOAX	WATSON MARLOW Fluid Technology Solutions
industrial and commercial steam systems	electrical process heating and temperature management solutions	niche peristaltic pumps and associated fluid path technologies
www.spiraxsarco.com www.gestra.com	www.chromalox.com www.thermocoax.com	www.wmfts.com

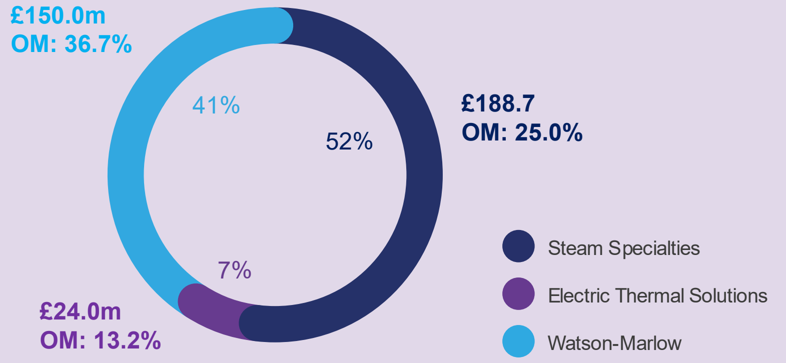
2021 Group Revenue

£1,345m



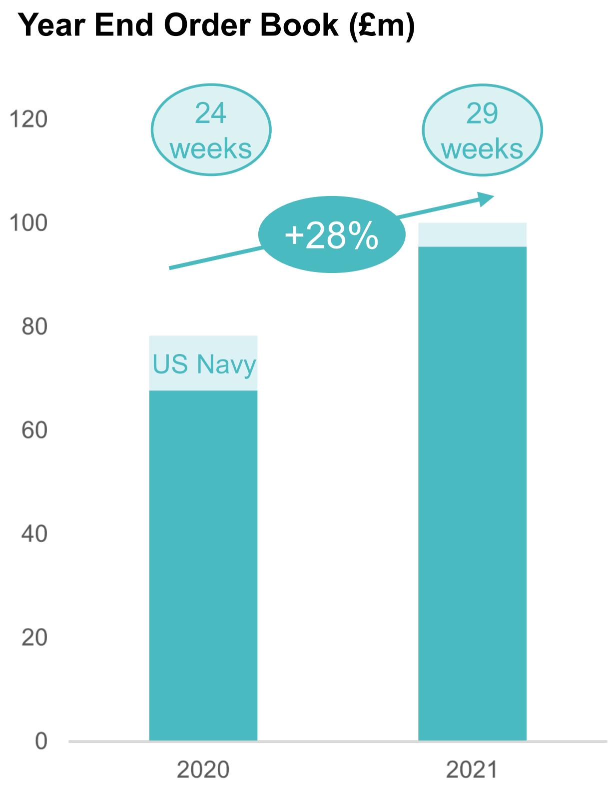
2021 Group Adj. Operating Profit

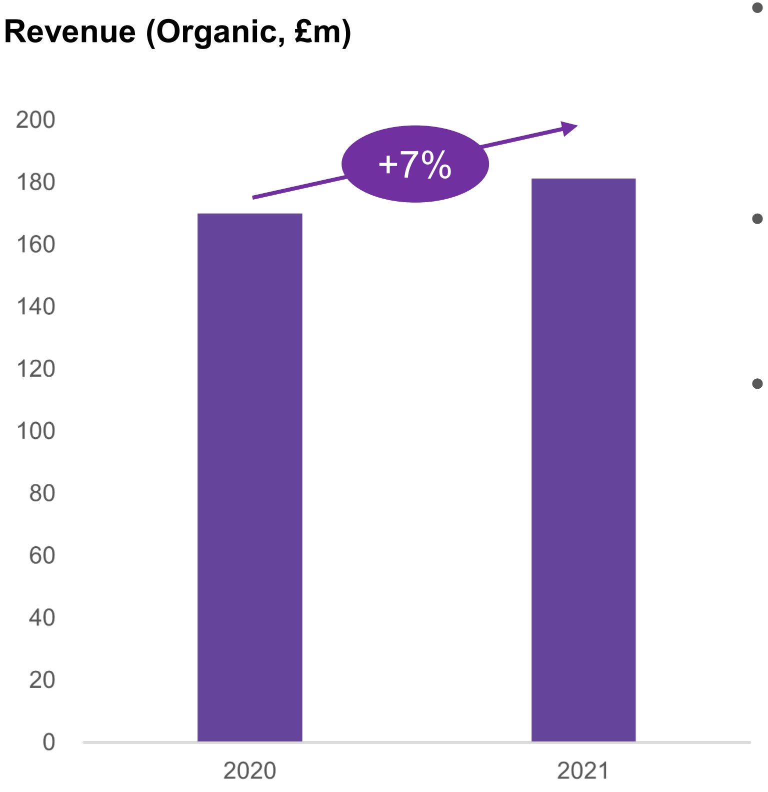
£340m



ETS financial performance

Demand growth ahead of sales

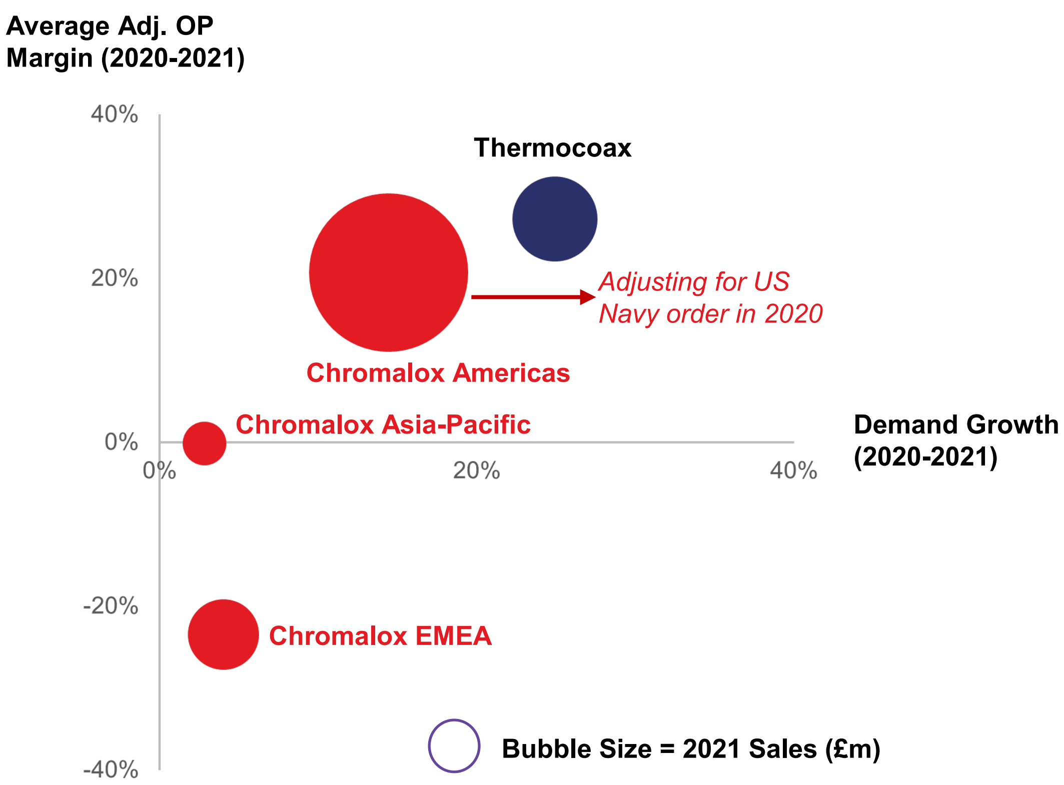




- Strength of demand reflected in year end order book, growth of >40% (adjusted for US Navy order in 2020)
- Significant demand growth in Thermocoax driven by semiconductor sector
- Growth in Chromalox limited by Ogden capacity and shipment constraints in 2021

Margin performance by Business

Profitable growth in Thermocoax and Chromalox Americas



- Thermocoax margins already above Group average levels and demand growth strong
- Chromalox Americas a large, growing business and achieving 20% margin objective
- Chromalox APAC improvement opportunity through embedding Group sales approach
- Chromalox EMEA performance impacted by profitability of site in Soissons, France

Actions regarding Soissons

Process Update

- Announced formal consultation process with trade unions to address financial challenges at Soissons; negotiations on-going
- Consultation expected to complete in August based on legal framework; should be followed by validation by the French labour administration
- In the event that the consultation results in collective dismissals, we expect key aspects of the process to be completed by end December 2022
- 61 colleagues impacted by announcement; we continue to provide them with support

Financial Impact

- Costs relating to the process expected to be removed from 2022 Adjusted OP margin
- Operating losses of 2022 will be reflected in the ETS margin; no change to guidance

Summary

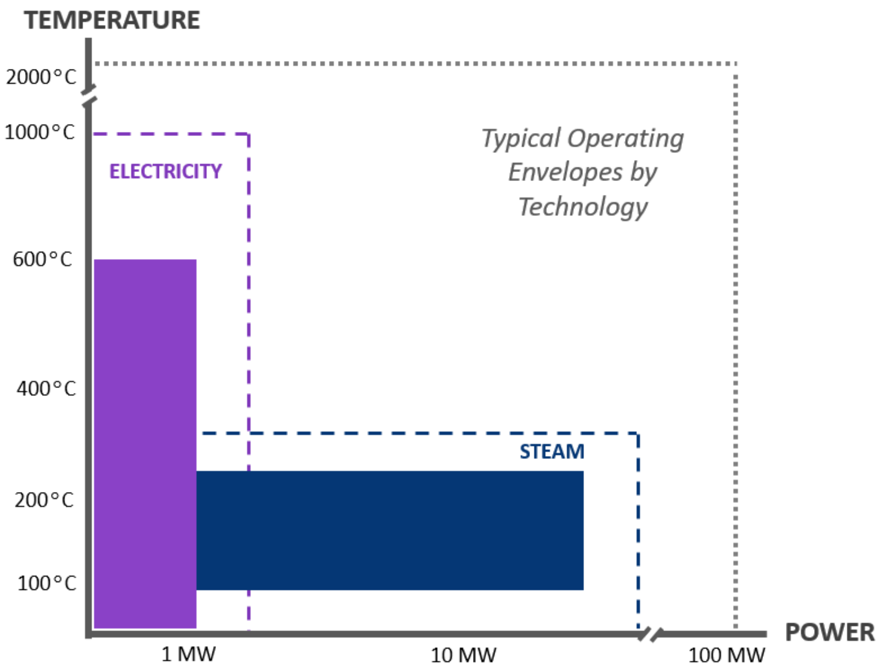
- Demand for ETS solutions remains strong and order books are at record highs
- Key businesses are already at or above Group level margins
- We are addressing the loss making situation in Soissons and the capacity constraints in Ogden
- We will continue to see impact on 2022 financial performance as we work through these initiatives
- We expect to achieve an improved ETS margin performance in 2023

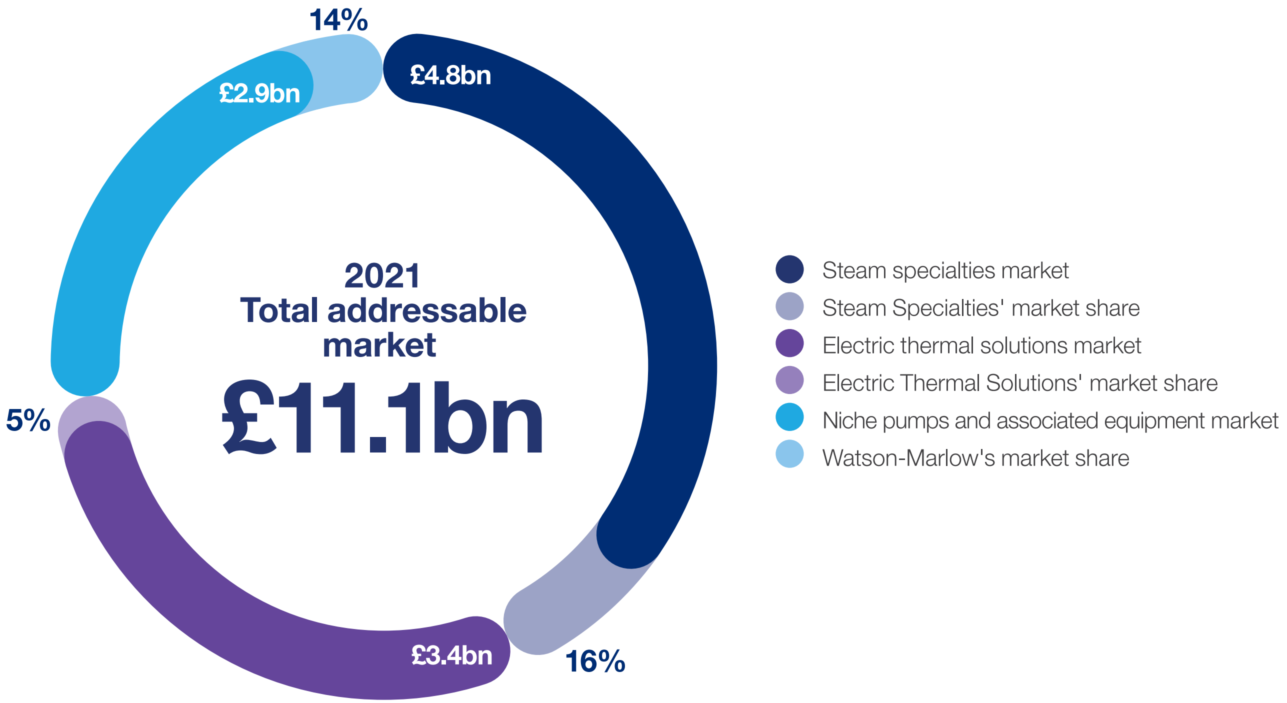
ETS Strategic Fit

Nicholas Anderson
Group Chief Executive

Why ETS fits with Steam Specialties

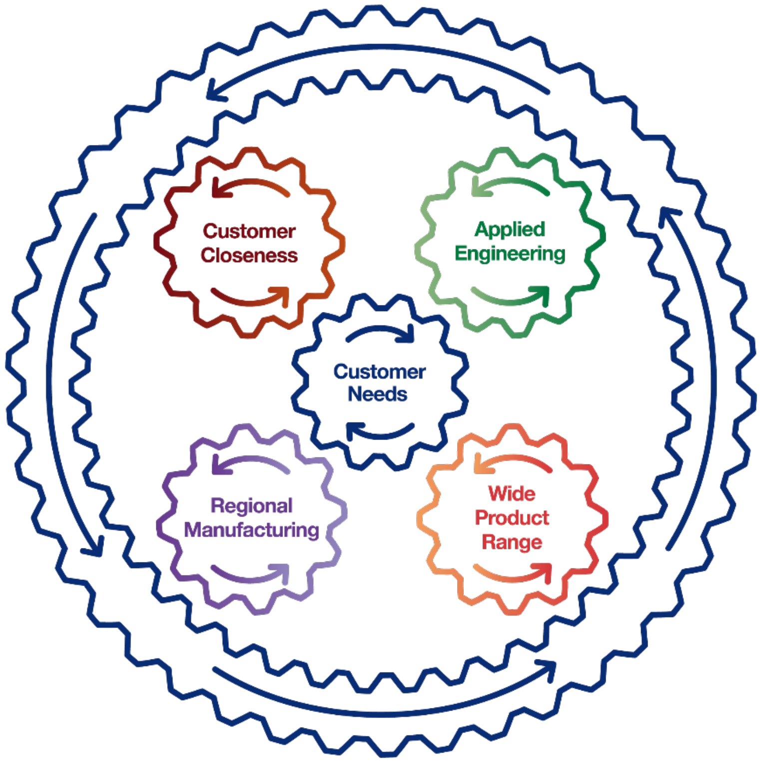
Attractive, complementary market to Steam Specialties

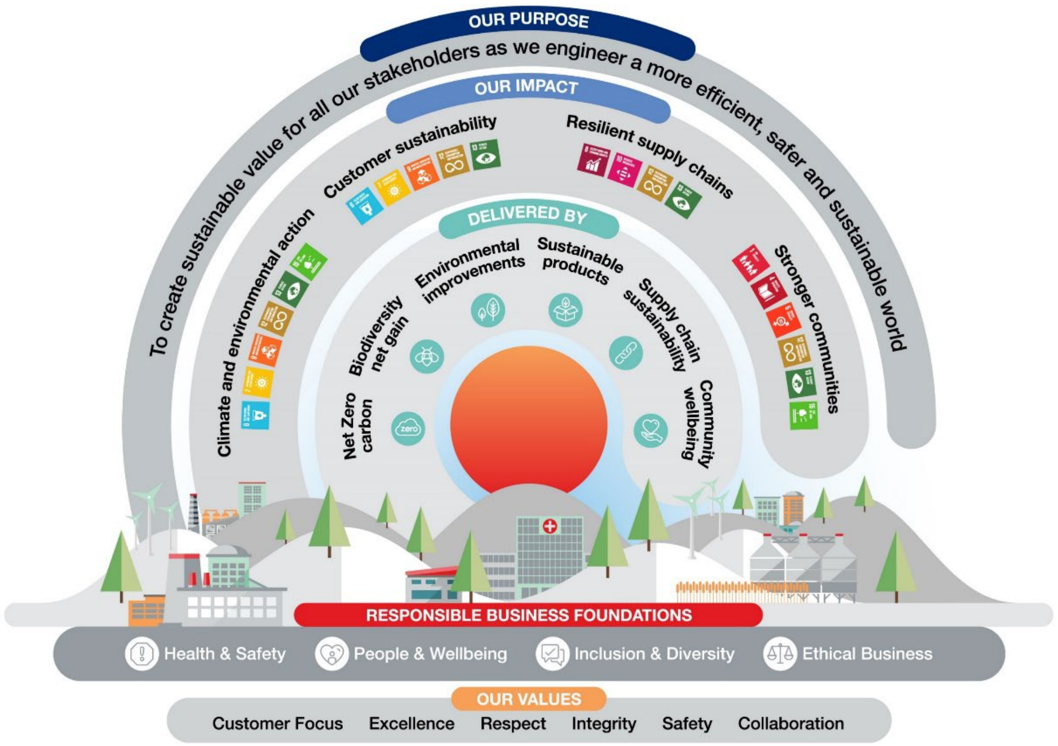




Why ETS fits with the Group Business Model

Fit with our Group business model and One Planet Sustainability Strategy





Progress in ETS to date

2017 — Acquired Chromalox

2019 — Acquired Thermocoax

Formation of the ETS business

2020 — Approval of refreshed ETS strategy and launch of 'Engineering Premium Solutions' strategy

2020 — Accelerated cross-Business 'Thermal Synergies' Project

2020 — Secured largest order in the Group's history from US Navy

2021 — Customer trials of our decarbonisation solutions

2021 — Completed consolidation of Thermocoax's sites in Normandy, France into one site

Q2 2022 — Initiated market release of expanded decarbonisation solutions

Drivers of the decarbonisation opportunities

30+ year opportunity

Heat — Represents 50% of global final energy consumption

Industry — Represents 50% of total heat usage

CO_2 — Heat contributes 40% of global CO_2 emissions

Source: IEA

Drivers

- Governments/legislation
- Stakeholder sentiment
- Energy intensity of industrial processes

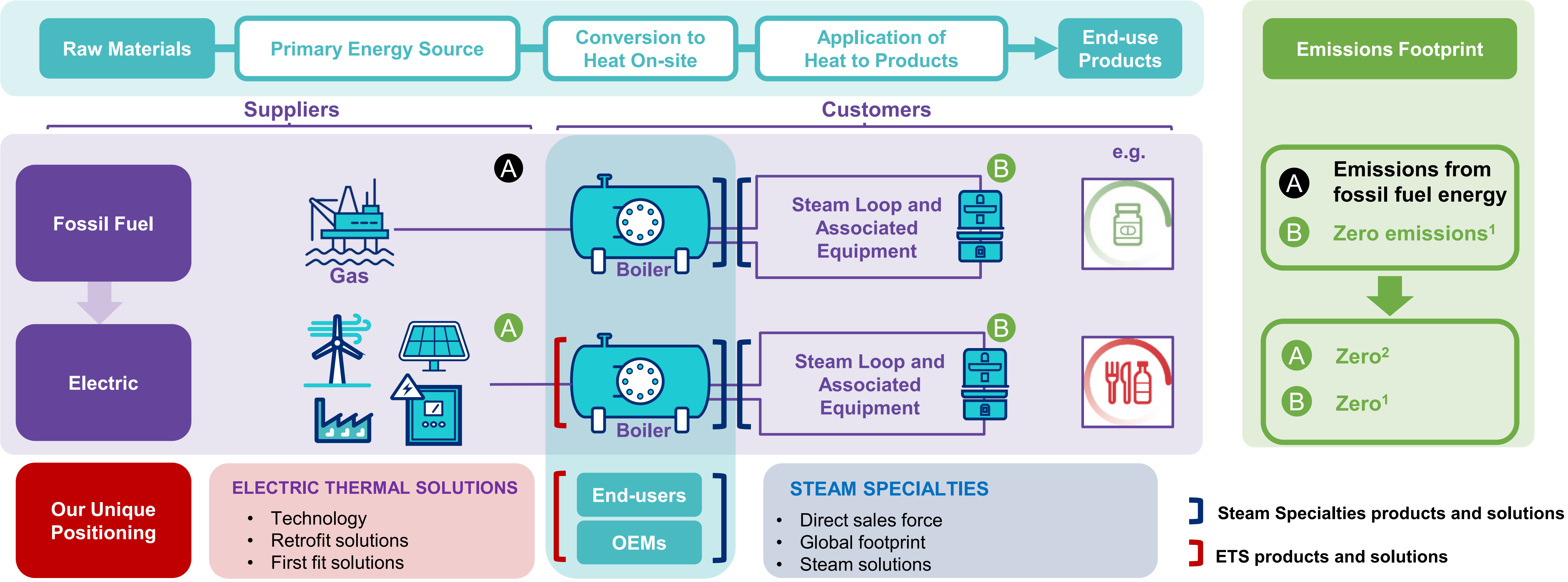
Only 5% of industrial heat generated from electricity

Barriers

- Infrastructure requirements
- Varying rates of adoption
- Short term economics

Decarbonising steam generation

Our unique position



1. Steam system does not generate any direct emissions; 2. If power sourced from renewables or green energy contracts

Implications for our growth

From the drive towards decarbonisation

- Industrial electric heating market is complementary to our Steam Specialties market
- ETS provides access to a significant addressable market with headroom for growth
- ETS has a clear fit with our business model and supports our One Planet Sustainability Strategy
- Decarbonisation will be an additional growth driver for decades to come
- Our Group is uniquely positioned to capitalise on these long-term growth opportunities

Supporting sustained growth greater than 2x IP long into the future

Introducing ETS

Our Business Overview.

Armando Pazos
President, Electric Thermal Solutions

An experienced leadership team

Armando Pazos
President, ETS

Functional Leadership

Bill Croyle
VP Finance

Chris Molnar
VP BD and Marketing

Lois Crandell
VP Operations

Tracey Staley
VP Human Resources

Amanda Janulis
Group Corporate Counsel

Craig Bushey
Director Sustainability

Regional Leadership

Greg McQueen
VP Americas Sales

Lee Adams
VP APAC Sales

Maxime Ziemniak
VP EMEA Sales

Ines Hamon
Managing Director
Thermocoax

Introducing ETS

Key topics to cover

- Our Businesses
- Our Technologies and Products
- Solutions, Sectors and Coverage
- Competitive Landscape
- Opportunities for Growth
- Leveraged through our Group and Strategy

Electric Thermal Solutions

What we do

Uses: electric heating for mission-critical industrial processes, freeze protection for pipes, valves and tanks, and component heating

Products: Industrial Heaters & Systems; Heat Tracing; Component Technologies; Mineral insulated cable

Benefits of Electric Solutions: easy to incorporate, install and maintain; high temperatures; efficient, reactive power control; no emissions at point of use

Delivering: efficient thermal energy management and control solutions for improved industrial processes

CHROMALOX
Advanced Thermal Technologies

THERMOCOAX

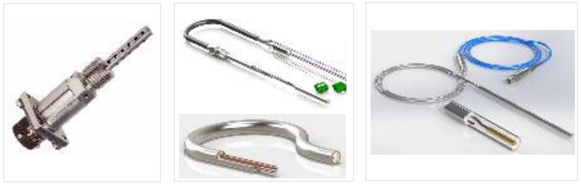
Heat and Control

Heating

Packages

Pre-fabricated engineered packages for process heating and temperature management

Sensing



Highly customised and engineered mineral insulated cable for heating and sensing applications

Customers' first choice for premium engineered electric thermal solutions in sustainable applications

Introducing our three product segments

Industrial Heaters & Systems

Complex process heating solutions for mission critical industrial processes. Including our Medium Voltage technology solutions.

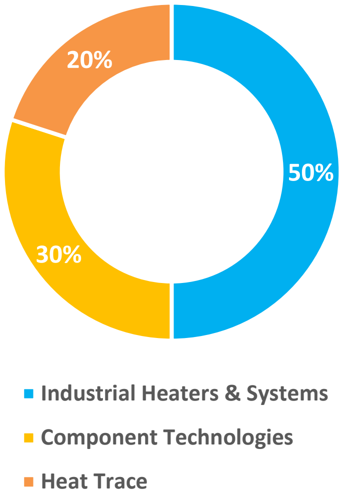
Component Technologies

Discrete heating and sensing solutions for industrial equipment manufacturers to enable optimal performance of systems.

Heat Trace

Thermal management solution for piping, valves and tanks for freeze protection and temperature maintenance.

2021 Sales by Product Segment



Product segments by sector

Examples of where our products are utilised

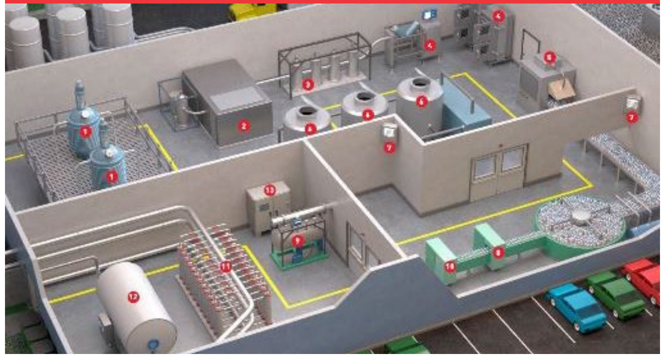
TEMPERATURE HEATING SOLUTIONS

COMPONENT HEATING SOLUTIONS

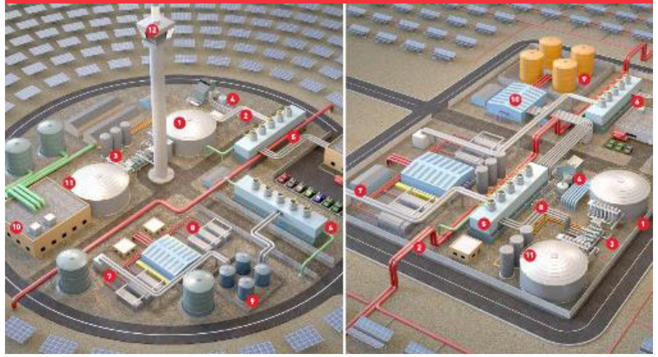
BUILDING AND CONSTRUCTION

POWER GENERATION

PHARMACEUTICAL



SOLAR



Geographic coverage

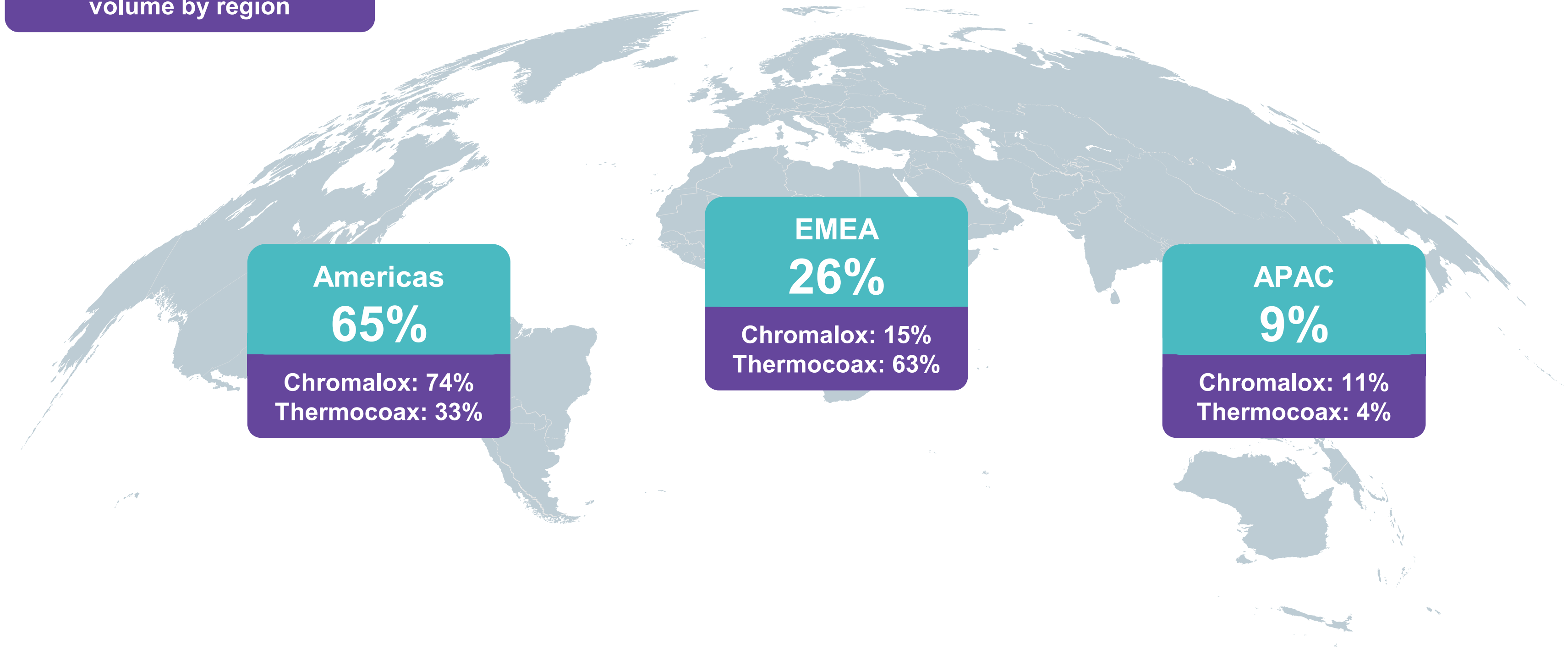
2021 sales by region

ETS key facts:

- Over 1,500 colleagues
- Over 165 direct sales & service engineers
- Direct sales presence in 19 countries
- Serving customers in 98 countries
- Greater presence in the Americas vs. EMEA and APAC

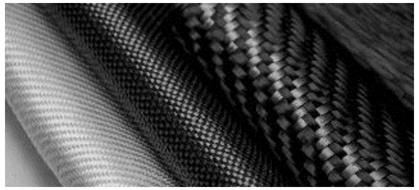
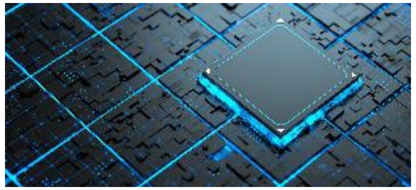
ETS volume mix by region

Chromalox & Thermocoax volume by region



Strategic sector focus

Four strategic sectors with ten subsectors

				
Sector	**Energy Transition**	**Materials**	**Advanced Technology**	**Health and Nutrition**
Subsectors	Sustainable Energy Nuclear Oil & Gas Processing	Building & Construction Engineered Chemicals Composites & Plastics	Semiconductor Aerospace & Defence	Pharmaceutical & Biotechnology Food & Beverage

Providing critical solutions to mission critical industrial processes

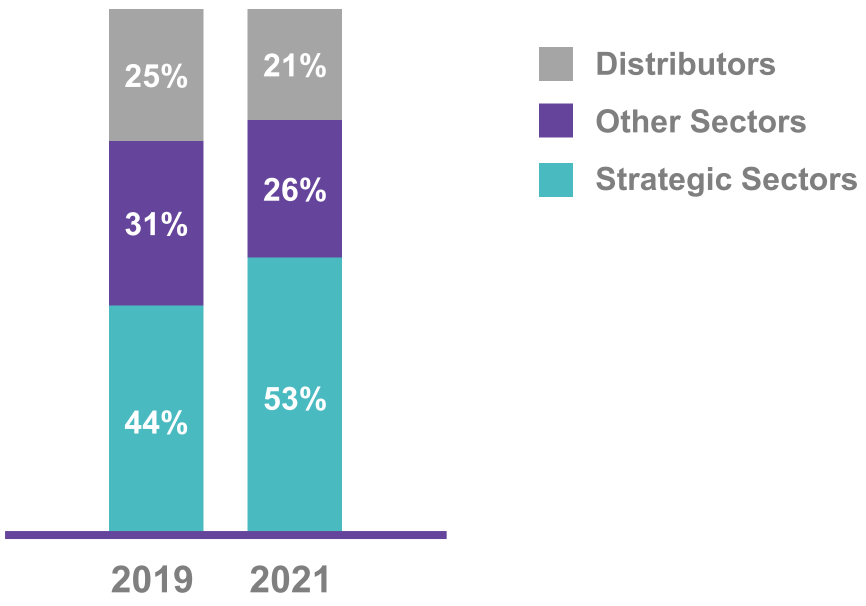
Implementing our strategy

Shift in sales by sector and channel

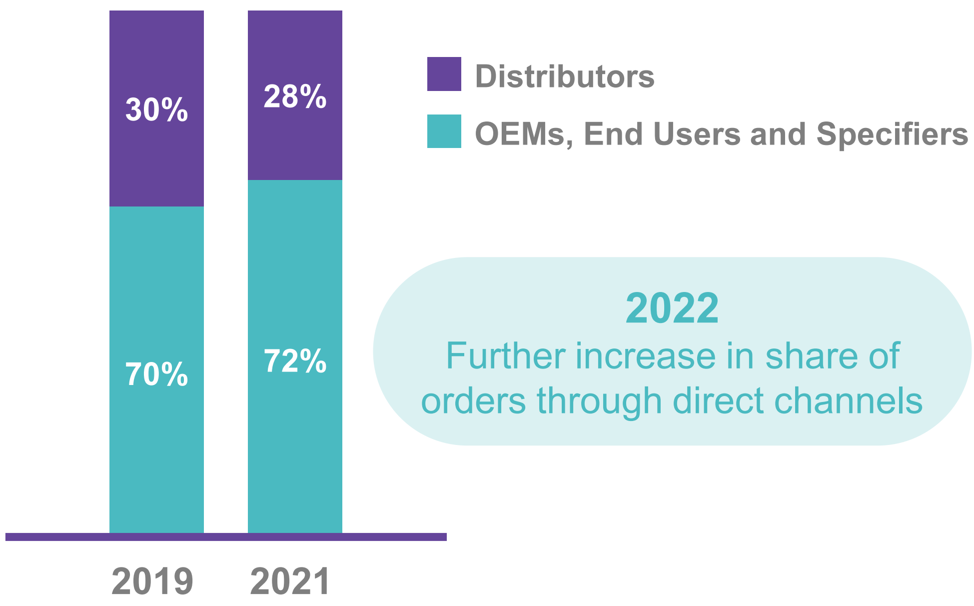
Increased focus on **strategic sectors**

Increased focus on **direct sales**

Sales by sector



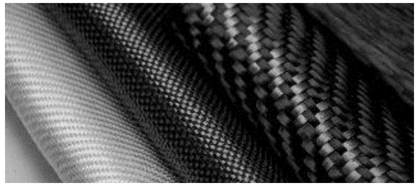
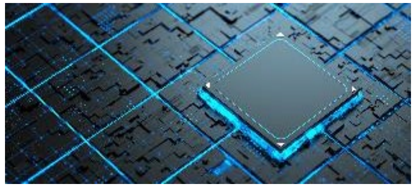
Sales by channel



2022
Further increase in share of orders through direct channels

Market dynamics

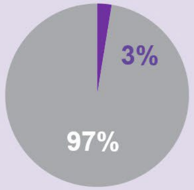
Global addressable market for ETS is £3.4 billion

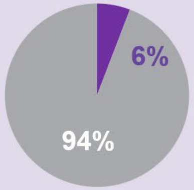

Sector	Energy Transition	Materials	Advanced Technology	Health and Nutrition
Four Sectors Represent 58% of our Total Addressable Market	22%	16%	10%	10%

Market Size and Share by Region

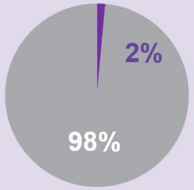
£0.9bn
EMEA



£1.8bn
Americas

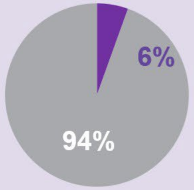


£0.7bn
APAC

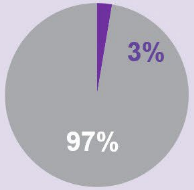


Market Size and Share by Product

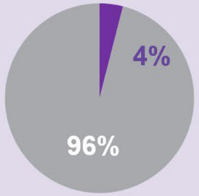
£1.2bn
IH&S



£1.3bn
HT



£0.9bn
CT



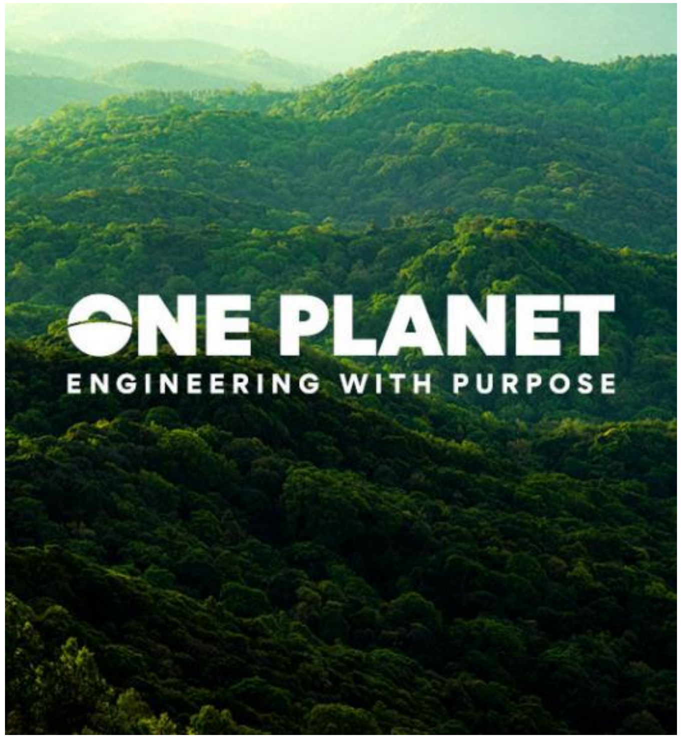
Fragmented competitive landscape

Our competitive advantages

Product Markets	Global Competitors	Regional Competitors	Our Position	Our Advantages
	Typically focused on one product market	Lower investment in products and capabilities	Uniquely positioned across all three markets	
Industrial Heaters & Systems	Vulcanic, Watlow	Americas: Durex Industries, Gaumer Process, Translogic	Chromalox, Thermocoax	• 100 years of experience in heating • Quantifiable performance advantage from our solutions • Direct sales force • Leading Medium Voltage technology specially suited to decarbonisation • Global footprint (through Group)
Component Technologies	NIBE, Transdigm, Conax Technologies, Zoppas Industries	EMEA: Exheat, Bartec, FATI		
Heat Trace	Thermon, nVent	APAC: Okazaki		

Leveraging the strength of our Group

Accelerating ETS from a strong foundation



Delivering through our strategy and people

Engineering Premium Solutions

Our Vision

To be our customers' first choice for premium engineered electric thermal solutions in sustainable applications.

Our Mission

To participate in our customers' success with superior performance, expertise, and partnership in mission critical electric thermal solutions.

Why ETS is differentiated

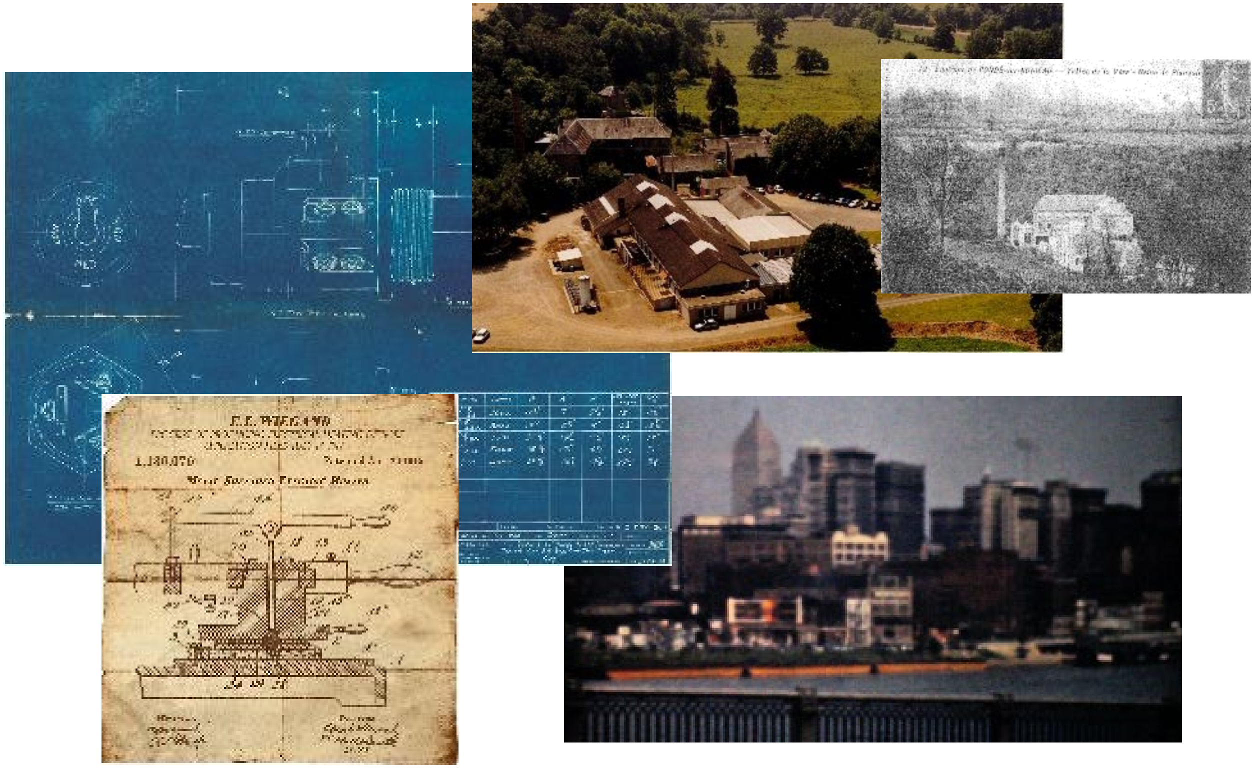
Our unique capabilities.

Christopher Molnar
VP, Business Development, ETS

A history of meeting customers' changing needs

Through a culture of innovation and problem solving

CHROMALOX Advanced Thermal Technologies   THERMOCOAX



CORE COMPETENCIES:

- A deep understanding of our customers' challenges
- Very broad knowledge about our customers' processes
- Unparalleled engineering expertise in our industry
- Recognised as the highest performing solutions

APPLIED TECHNOLOGY PLATFORMS:

- Material and Welding Sciences
- Thermal and Fluid Dynamics
- Customised Computer Modeling

COMPONENT TECHNOLOGY PLATFORMS:

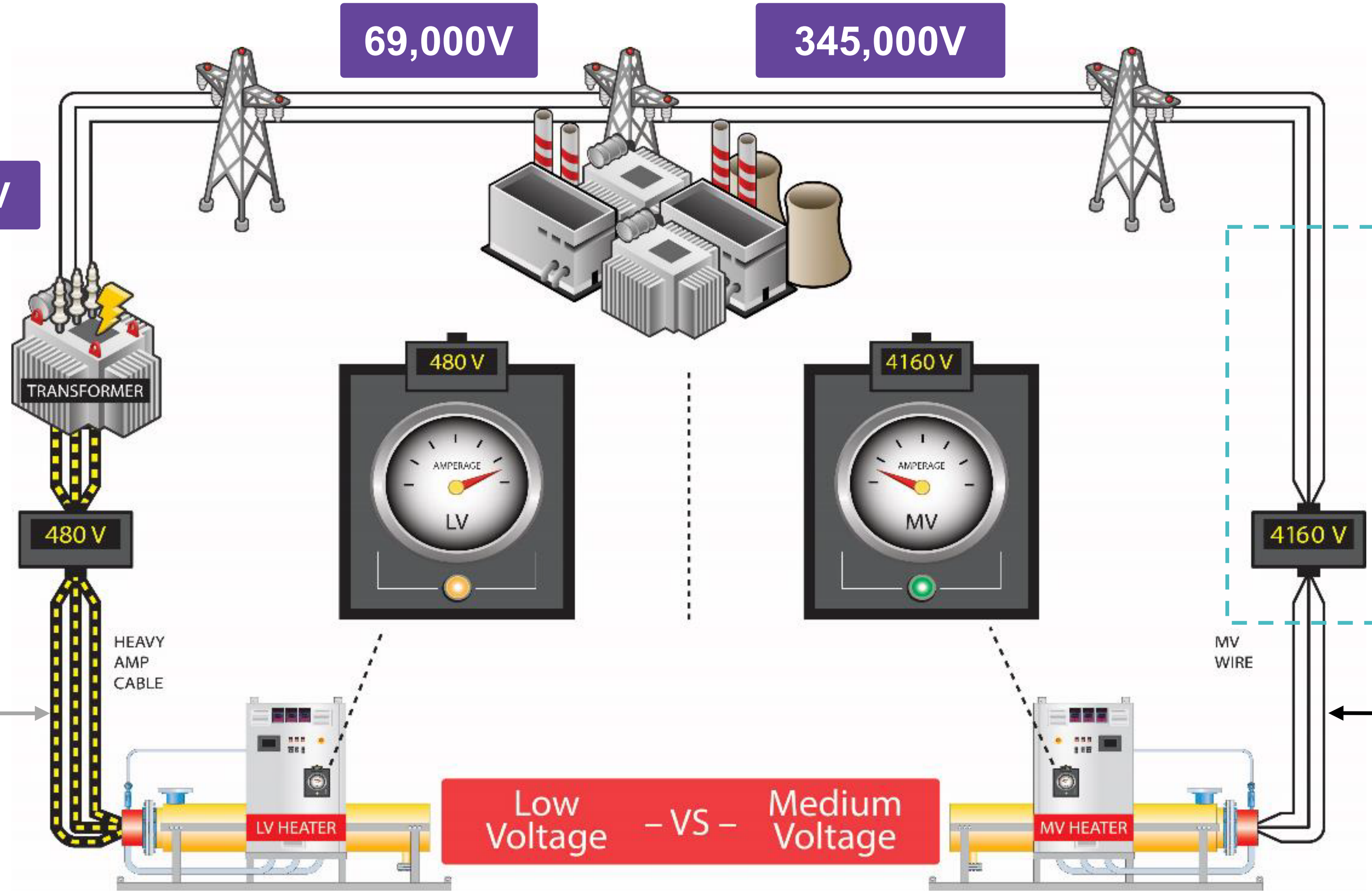
- Metal Sheath Heating
- Polymer & Specialty Heating
- Integrated Temperature Control

Technology spotlight: DirectConnect™

Patented Medium Voltage technology

Standard low voltage electric heating systems require stepping down the voltage through transformers

This results in a large amount of capex for the installation of the heating system



Chromalox DirectConnect™ eliminates need to step-down voltage

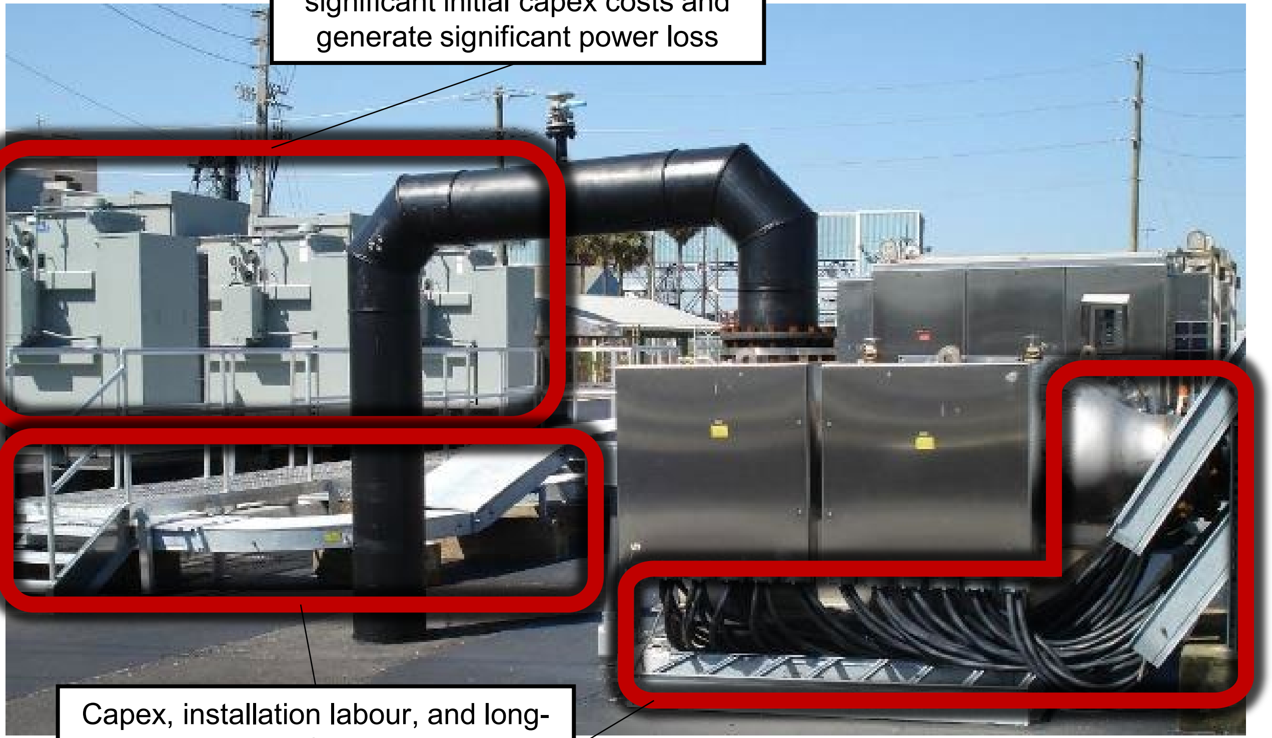
Our system can operate DIRECTLY from the plant's supplied medium voltage, up to 7200V

Resulting a significantly lower capex for the project

Technology spotlight: DirectConnect™

A 2.5MW system delivers cost and efficiency benefits

Step-down transformers are a significant initial capex costs and generate significant power loss



Capex, installation labour, and long-term maintenance/risk is much higher for the transmission system

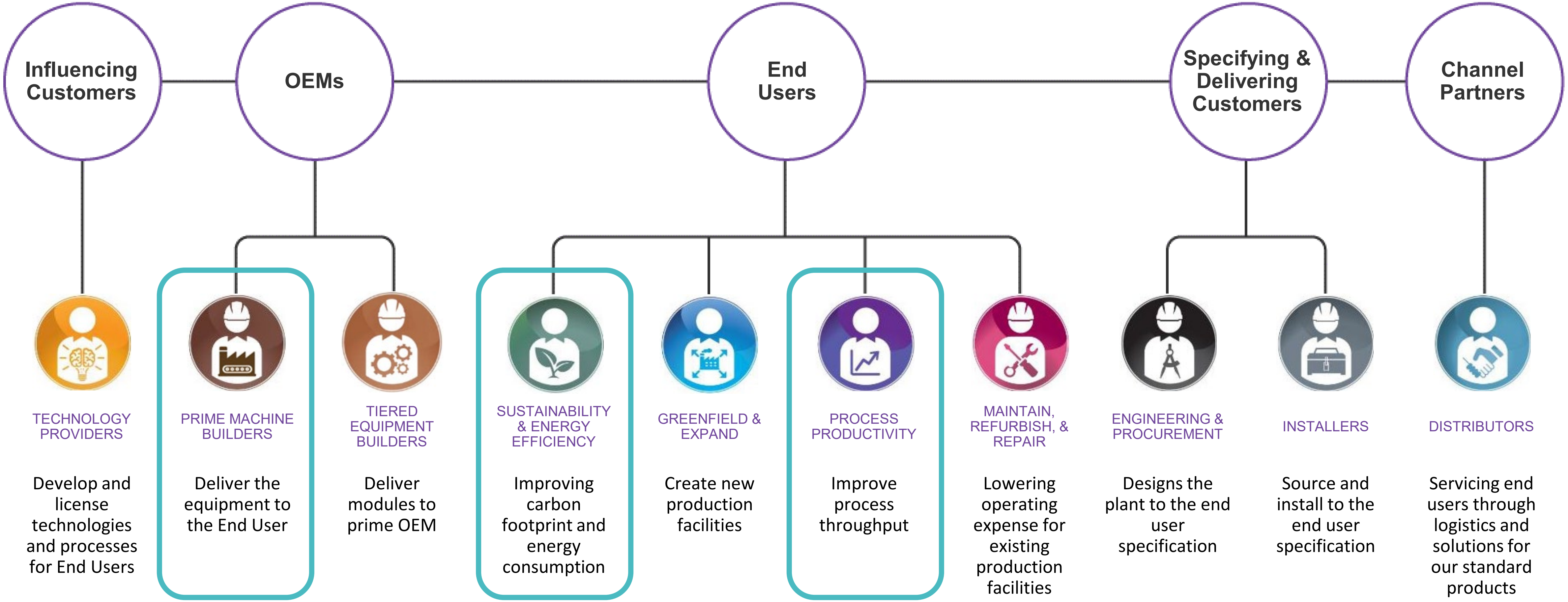
Traditional Low Voltage Solution

Significantly lower capex costs and increased energy efficiency through MV

Medium Voltage technology

A focus on solving our customers' problems

Through our Customer Value Propositions (CVPs)



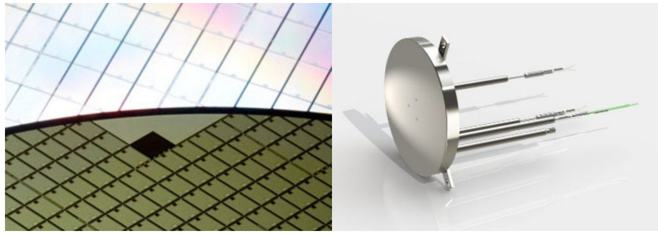
Delivering against customer objectives

Enabling OEM Prime Machine Builders to deliver world-class capabilities

PRIME MACHINE BUILDERS

Wafer Vacuum Heaters

Unmatched two-dimensional thermal uniformity that maximises the processing yield of semiconductor wafer/chip production



THERMOCOAX

IH&S

Semiconductor

Maxizone Elements

Precise thermal profiles and temperature control produce the highest quality solar panels, maximising their operational efficiency

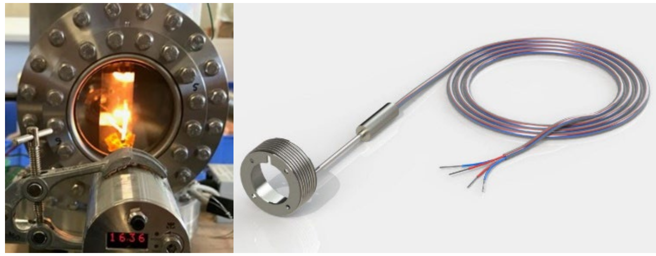
CHROMALOX Advanced Thermal Technologies

CT

Power

MI Cable Thruster Coil

Unparalleled reliability to perform in the most extreme environment - the vacuum of space - to maintain critical satellite orbits over our world



THERMOCOAX

CT

Aerospace & Defence

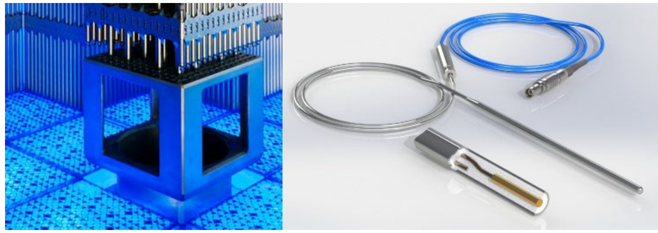
Delivering against customer objectives

Maximum productivity and performance for Mission Critical End User applications

PROCESS PRODUCTIVITY

Neutron Flux Detector

Ability to perform at peak performance under intense and long-term radiation to precisely monitor neutron and gamma radiation inside the reactor core



THERMOCOAX

CT

Power

Pressuriser Heaters

Consistent, dependable operation over a 40 year life and millions of cycles to help modulate and control the rate of reaction in a nuclear power plant

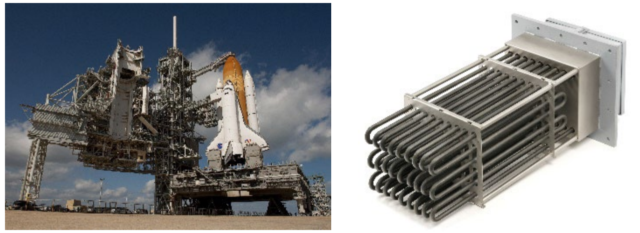
THERMOCOAX

IH&S

Power

Nitrogen Purge Systems

Trusted to perform the mission-critical safety function of evacuating explosive gases from the pad prior to ignition, essentially enabling a “go for launch”



CHROMALOX Advanced Thermal Technologies

IH&S

Aerospace & Defence

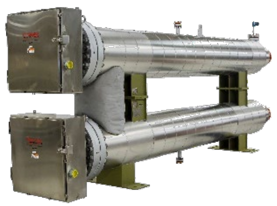
Delivering against customer objectives

Improving energy efficiency and reducing the carbon footprint for End Users

SUSTAINABILITY & ENERGY EFFICIENCY

Defrost & Regen Heaters

Increased energy efficiency in LNG Liquefaction through MV technology produces a higher round-trip efficiency for the production plant and maximised output to market



CHROMALOX Advanced Thermal Technologies

IH&S

Oil & Gas

Hot Water Network Solutions

Decarbonisation of district heating through DirectConnect™ and Heat Trace electric systems and renewable power enables true net zero operation of an entire city block

CHROMALOX Advanced Thermal Technologies

HT

Building & Construction

Electric Steam

Leveraging our MV electric heating systems and renewable power for carbon-free steam production, higher energy efficiencies, and lower energy consumption across all industries

TargetZero

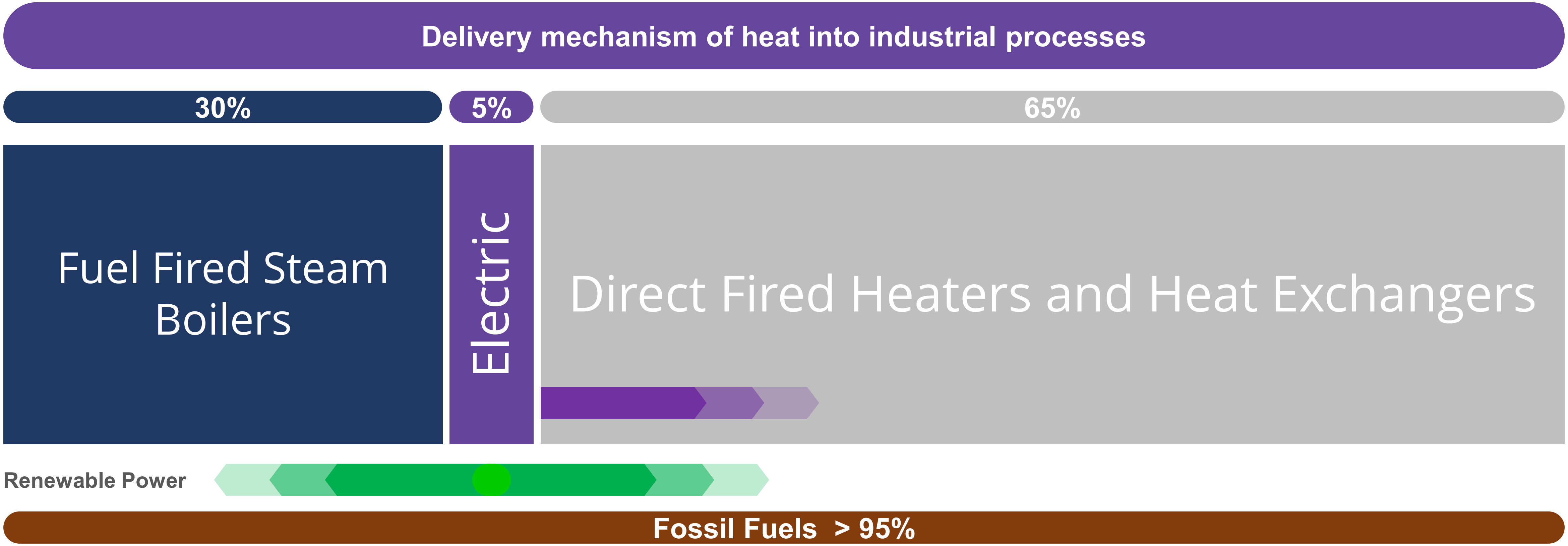
spirax sarco

IH&S

Food & Beverage

The ETS opportunity for sustainability

Significant addressable market creation



Conversion Mechanism of Energy into Heat

TargetZero – solutions for steam decarbonisation

Customer value propositions and general ‘go to market’ approach

Market Drivers	Continued growth in global Industrial Production (IP)	Demand for energy efficiency solutions	Demand for decarbonisation solutions
Customer Needs	How do I cost effectively grow and maintain my steam supply, which is ***critical*** to our operations?	While also finding ways to reduce energy usage, increase efficiency, and maximise my bottom line?	And drive towards a zero-carbon operation in the future that doesn’t negatively impact my operation?
Solution	Thermal Energy Experts in steam and process heat	Energy-saving technologies and solutions	Viable, cost effective pathway to net zero TODAY!

Technology and Support

CHROMALOX Advanced Thermal Technologies

GESTRA

Boiler OEM Partners

Solution Provider

spirax sarco

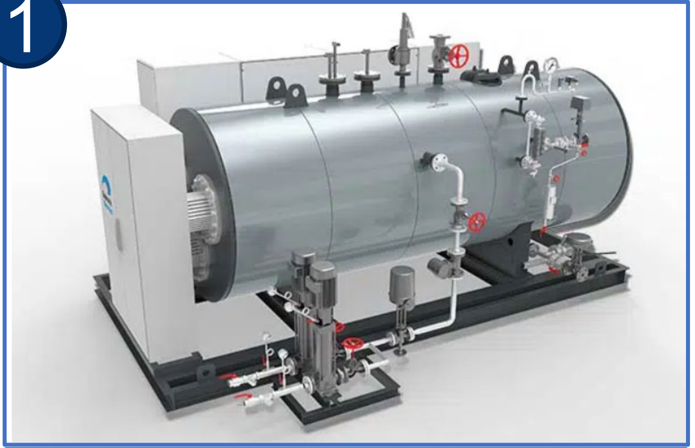
TargetZero

TargetZero

Steam decarbonisation solutions by Spirax-Sarco Engineering

TargetZero

1



SteamVolt
LV & MV First Fit Boiler Solution
OEM Boiler electric heat and control technology

2

ElectroFit
LV & MV Retro Fit Boiler Solution
Conversion of fossil fuel fired boilers to electric.

3

Steam Battery
Thermal storage capable of generating steam from renewable / off peak electricity

~500k boilers installed base growing at ~4% per annum

SteamVolt

Electrification of steam – replacing fuel-fired steam generation with zero emission MV technology

Energy efficient, large capacity electric steam generation for industrial applications.

- The solution for first fit installation or replacement of retired fleet
- Average order size £200-300k

SteamVolt – case study

Electrification of steam – replacing fuel-fired steam generation with zero emission MV technology

Public University in Canada to become carbon-neutral by 2040.

Replace 20MW of campus' gas-fired steam system with DirectConnect™ MV technology and renewable power.

Will reduce powerhouse emissions by 30%.

ElectroFit

Electrification of steam – in-situ retrofit of existing fuel fired boilers

Decarbonises steam generation while retaining existing infrastructure and minimising disruption.

- Suitable for retrofit of installed base
- Most suited to fleet aged <20 years (~90% of existing fleet)
- Average order size £100-200k

ElectroFit – case study

Electrification of steam – in-situ replacement of existing fuel fired boilers

Beverage producer in Turkey to use 100% renewable power by 2030.

Leverage existing 2.3MW of power for steam generation in existing boiler and infrastructure.

Maximise return on decarbonisation investment.

Steam Battery

Electrification of steam – maximising efficiency

A flexible approach to storing and utilising renewable electrical energy.

- Estimated opportunity of one Steam Battery for every seven electric boilers
- Average order size £200-300k

Steam Battery – case study

Electrification of steam – maximising efficiency

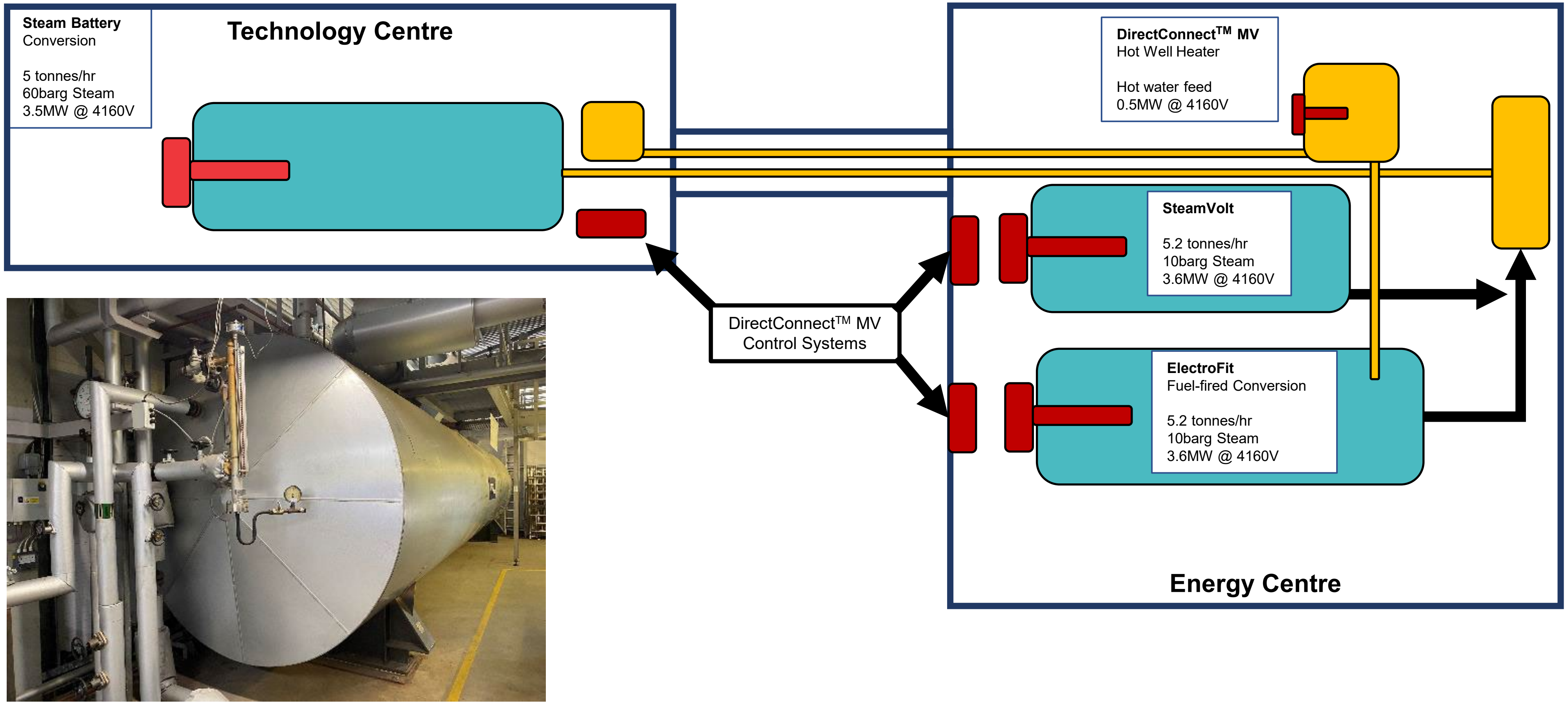
Steam training centre in UK drives towards net carbon zero goals.

Utilisation of on-site solar and off-peak power to generate low/no carbon steam.

Lower energy demand and higher efficiency through thermal energy storage.

Project Clear Sky

Decarbonisation of UK manufacturing site – all three technologies in play



Drivers of growth

Investment in Capacity and Operational Excellence.

Armando Pazos
President, ETS

Global manufacturing footprint

Manufacturing facility transformation activities

Investing in our future

Normandy, France

Manufacturing of highly engineered, customised, premium mineral insulated cables and sensors designed for extreme performance in specialised, mission critical OEM applications.

Nuevo Laredo, Mexico

Specialises in Component Technologies and standardised, higher-volume products. Such as boilers, immersion heaters, comfort heaters, strip and rings, mica band, tubular, and cartridge heaters.

Ogden, Utah- USA

Vertically integrated manufacturing of large flange heaters, circulation heaters, and integrated systems. Leading our Medium Voltage solutions targeting the decarbonisation of steam and industrial process heating.

Manufacturing transformation

Thermocoax Normandy transformation completed in 2021

Nuclear

PLANQUIVON
4,200 m²

Aerospace & Defence

SAINT-GEORGES DES GROSEILLERS
3,600 m²

Semicon

ATHIS VAL-DE-ROUVRE
1,000 m²

Nuclear

SAINT-GEORGES DES GROSEILLERS
1,800 m²

Thermocoax - 12,000 m²

- Capacity expanded by 13% with room for further capacity expansion
- Investment in state-of-the-art equipment
- Safety improvements and efficiency gains through improved flow based on LEAN principles
- Solar panels installed to reduce carbon emissions, biodiversity initiatives including beehives

Manufacturing transformation

Chromalox Nuevo Laredo transformation completed in 2020

From 10,700 m^2 to 14,700 m^2

- Capacity expanded by 30% enabling transfer of some product manufacturing from Ogden to relieve some of the constraints there
- Room for further capacity expansion as demand increases
- Investment in state-of-the-art equipment
- Safety improvements and efficiency gains through improved flow based on LEAN principles
- Solar panels installed to reduce carbon emissions
- Grey water recycling introduced

Ogden transformation plan

Matching the standards of Normandy and Nuevo Laredo

Current State:

- Ogden specialises in the manufacture of our leading Medium Voltage solutions, utilised in the decarbonisation of industrial process heating.
- Achieving efficiency gains through LEAN improvements and investing in state-of-the-art equipment is important to support current and future demand.
- Plant needs to double production output based on incoming orders and current demand.

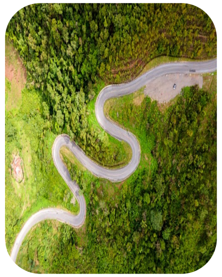
Future state:

- Use LEAN principles to eliminate waste and create flow to increase capacity of existing facility.
- Evaluate expansion plans to continue to grow capacity for Medium Voltage strategy.
- When we expand our footprint in Odgen, sustainable design will be at the forefront (eg) installation of solar panels and utilisation of geothermal for heating and cooling.

Becoming the benchmark for sustainable manufacturing

Our key investments and plans to decarbonise our facilities

Investment in onsite Renewable Energy (solar panels) in Nuevo Laredo, Heidelberg and Normandy



Net zero Roadmaps for all supply locations to drive energy reduction

Eliminating fossil fuels and transitioning to Green Energy Contracts and Electric Vehicles

Energy savings equivalent to:

187 Passenger vehicles driven for one year

2,156,357 Miles driven by an average passenger vehicle

103 Homes' energy use for one year

1,986 Barrels of oil consumed

ONE PLANET
ENGINEERING WITH PURPOSE

Transformation roadmap

Our journey to 2030

ETS manufacturing facilities

Nuevo Laredo

Normandy

Ogden

Le Vergne

Wujiang

Heidelberg

Alpharetta

2022

By 2030

Operations in 2030 will be:

- Using LEAN principles to drive flow within the plant
- More automated with modern equipment
- ISO 14001 (Environmental) and ISO 45001 (Safety & Health) certified
- Net zero (Scope 1 & 2)

Completed

In progress

Planned

ETS in summary

Our strategy is delivering

- Group synergies creating value and driving growth
- Deep customer knowledge and engagement supports increased margins
- Unmatched breadth of products and solutions deployed through strategic sector focus
- Committed to operational excellence, manufacturing transformation and geographic expansion
- Strong demand for our solutions; well positioned for future growth
- Decarbonisation opportunity is significant
- We are uniquely placed; leveraging our patented Medium Voltage technology
- Investing in Ogden to support our future growth in decarbonisation

What ETS will deliver

Our plan for sales and margin growth.

William Croyle
VP, Finance, ETS

Foundations for future growth

Investing in innovation, people and sustainable operations

New product development capability

- Lab expansions and increased testing capability
- Medium Voltage technology development
- 3D printer upgrade to support rapid prototyping

Commercially driven Research and Development

- R&D incorporated into business development to focus on key projects
- New Director of Technology and Innovation
- R&D headcount increased from 11 to 15 since 2019 (2 funded by Group)

Supporting function capacity to enable growth

- 34 new positions added since January 2021, across sales, sustainability, finance, HR, IS, engineering
- Employee cost impact in 2021 of ~£2.5m

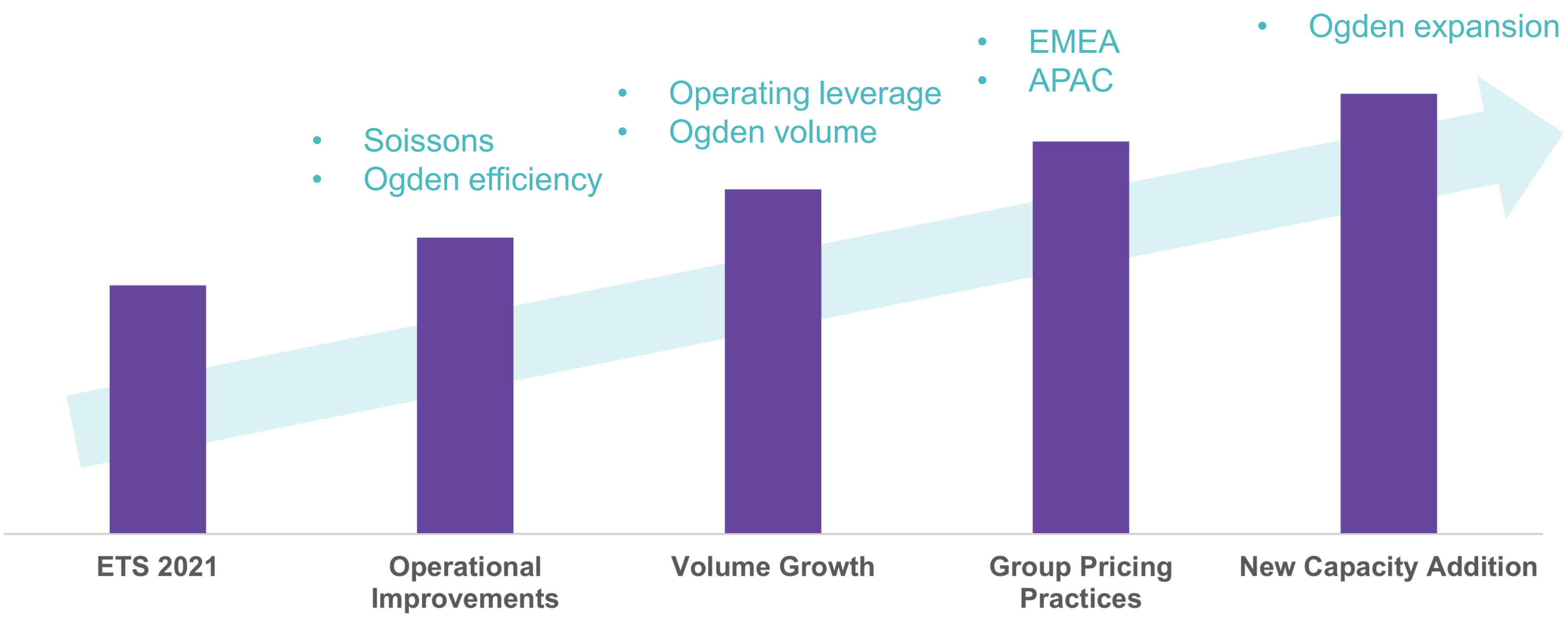
Modernising and expanding our manufacturing capacity

- Consolidation of 4 sites in Normandy into a state-of-the-art new site (including ~£4m to fit out the new site)
- Transfer of higher volume, less complex product range from Ogden to Nuevo Laredo

Margin evolution

Pathway to Group level margins

Adjusted Operating Profit Margin (%)



Outlook

Strong sales and growth; margin improvement 2023 onwards

Sales Growth

- Demand Growth above rate of Steam Specialties
- Increased sales through operational efficiency

Margin

- Conclusion of loss-making activity
- Benefits of operational gearing and plant throughput

Capex

- Investments related to safety and sustainability
- Step-up in capex to fund Ogden capacity increase
- Investment in ERP to support future growth

Cash Conversion

- Broadly flat in near-medium term as capex steps up
- Reverts to Group levels post Ogden and ERP investment

Re-cap

Re-cap

Our key messages

- We are a resilient Group with attractive long term growth prospects
- ETS is fundamentally a growing and high margin business
- Near term focus on delivering operational improvements and driving increased capacity
- Continued investment in the organisation and operations to deliver Group level growth and margins
- Significant addressable market growth from decarbonisation, over at least a 30 year period
- A key driver of our long term ability to deliver growth greater than 2xIP

Thank you