



Adding intelligence

for
tomorrow's
world...

Spirax Group plc Annual Report 2025

Our teams provide the critical thermal energy and fluid technology solutions that enhance the efficiency, safety and sustainability of our customers' industrial operations, helping them to provide the food, medicines, technologies and services that the world needs.

We call this '**engineering your everyday**' and we do it through three strong and aligned Businesses with a common business model:



100k+

customers served

~2,900*

direct sales and service engineers

~70


countries with a direct sales presence

60%

of sales to defensive sectors

85%

of revenues funded from customers' local operating budgets

 Find out more about each of our Businesses and how they delivered on our priorities in 2025 on pages 46 to 59 of the Operating Review

Last year, as we set out to evolve our Group for tomorrow's world and meet the changing needs of our customers, we set a clear Vision.

Our Vision builds on our unique strengths and guides where we focus our efforts as we set out to capture opportunities from new structural drivers of growth. Against a more volatile and uncertain economic environment our aim is to keep building and adapting where needed, while staying true to our Purpose and Values, working together across Spirax Group to deliver growth.

Our Vision

Our Vision has five important characteristics that are shaping the future of Spirax Group as we evolve for tomorrow's world.

These are the things that matter the most to us and to the people around us.

As the **trusted global leader** in optimising critical thermal energy and fluid technology processes, we are **highly connected** with customers, obsessed with their evolving needs, delivering **solutions that serve people** and enable the transition to a **low-carbon, resource-efficient world**.


Our Purpose

At Spirax Group we are defined by our common Purpose. **To create sustainable value for all our stakeholders as we engineer a more efficient, safer and sustainable world.**

Our Values

Our six core Values; **Safety, Collaboration, Customer Focus, Excellence, Respect** and **Integrity** are common to everyone across our Group. They are the guiding principles we use to underpin our decision making, guide our conduct and define our culture.

By living our Values every day, we are building a more sustainable and successful business.

 Read more online [spiraxgroup.com](https://www.spiraxgroup.com)

* Includes technical application engineers and inside sales team

...delivering our strategy

Welcome to our 2025 Annual Report

Our **Together for Growth** Strategy builds on our unique business model. It is designed to help us meet the evolving needs of our customers and enables us to adapt for continued growth in this more volatile and uncertain economic environment.

We do this by focusing on operational priorities that are within our control to enhance our sales, manufacturing and organisational effectiveness, driving growth and margin improvement. Through leveraging the power of the Group we are working differently, by simplifying how we operate and evolving our capabilities to deliver efficiencies that generate savings. These savings are being reinvested in targeted areas to capture the significant, compounding and long-duration organic growth opportunities ahead.

In 2025, our first full year of strategy delivery, we set clear priorities, adapted to external challenges and stayed focused on driving the actions within our control to sustain momentum and deliver against our commitments. You can read about our progress throughout this Report.

Our performance in 2025

Revenue £m	Adjusted operating profit* £m	Adjusted operating profit margin* %	Adjusted earnings per share* p
£1,702.9m	£339.9m	20.0%	296.3p
Organic revenue growth* %	Statutory operating profit £m	Statutory operating profit margin %	Statutory earnings per share p
5.0%	£265.4m	15.6%	221.7p

[+ Read more about our performance in 2025 on pages 36 and 37](#)

† Organic growth is at constant currency and excludes contributions from acquisitions and disposals. For a full definition, see the Appendix to the Consolidated Financial Statements.

* Adjusted measures exclude certain items as set out and explained in the Group Chief Financial Officer's Review and in the Appendix to the Consolidated Financial Statements.

Why we're evolving

In today's ever-changing, fast-paced world, our customers' needs are continuously evolving and we are well placed to meet those needs.

Global trends driving our Vision...

Emerging middle class:

800m+ people

entering the middle class population, with higher spending and increasing consumption leading to increased demand for process efficiency, productivity improvements and capacity expansion projects.

Resource efficiency and sustainability:

>5%

of global carbon emissions have the potential to be addressed through our full suite of decarbonisation solutions offered through the complementary expertise of our STS and ETS Businesses.

Ageing global population:

65+ years

is the expected age of one in six people by 2035, almost doubling this global population requiring increased healthcare provision, fuelling innovation in the Biopharm sector, which accounted for 17% of Group sales in 2025.

Changing lifestyles:

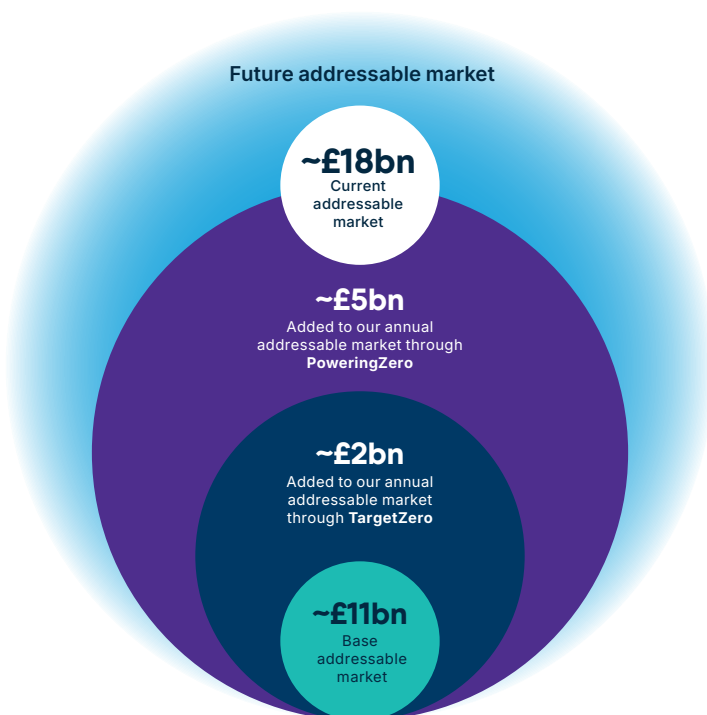
9.7 billion

is the projected global population by 2050* with changing lifestyles driving consumer choices in technology, sustainability and health, which supports growth in key sectors such as Semiconductor, Datacentres, EV Batteries and Sustainable Food.

* Data source: United Nations, Department of Economic and Social Affairs, Population Division (2024), World Population Prospects 2024, Online Edition.

...create significant growth opportunities

Addressing our customers' resource efficiency and sustainability needs has expanded our annual addressable market by 60%, compared to 2023.



Future expansion of our addressable market

We expect our annual addressable market to expand further linked to IP-related growth, high growth in our target sectors and pricing.



Decarbonisation of thermal energy, beyond steam

Solutions we refer to as **PoweringZero** add ~£5 billion to our annual addressable market as we continue to deploy our Low Voltage and Medium Voltage solutions in target sectors and regions to support the electrification of critical industrial processes that currently rely on the direct burning of fossil fuels today. This number assumes adoption over multiple years.



Electrification of steam generation

Solutions we refer to as **TargetZero** add ~£2 billion to our annual addressable market. This opportunity is sized on 2024's installed base of fuel-fired boilers in our target sectors and regions and an assumption of adoption over multiple years constrained by factors such as customer appetite to invest, availability of green electricity and grid transmission capacity.

How we're adapting

Our **Together for Growth** Strategy supports growth today and for the future.

Through the strategy we are building on the unique strengths of our business model, adapting to meet changing customer needs and drive demand growth in today's more volatile and uncertain economic environment.

Leveraging the power of the Group, we are addressing operational priorities that enhance our sales, manufacturing and organisational effectiveness.

As we reinvest savings from efficiencies in targeted areas of growth, we are strengthening our positioning to capture the significant compounding and long-duration organic growth opportunities ahead.

Together for Growth, means:

- Putting the customer at the centre of everything that we do
- Identifying opportunities within our control and taking ownership to deliver
- Simplifying how we work, removing barriers and improving collaboration to become more effective and efficient
- Evolving our capabilities to capture significant opportunities



We achieve this through five Growth Drivers:



Commercial Excellence

Our global direct sales force and local customer relationships are the core of our business model and key differentiators. We are investing in the capability of our sales colleagues to better serve customers, meeting their evolving needs, to expand and capture our addressable market opportunity.



Operational Excellence

Our regional manufacturing facilities are strategically positioned close to our sales operating companies to deliver high levels of customer service and maintain agility in our supply chain. We are focused on continuous operational improvements, reinvesting the benefits to support future growth.



Organisational Fitness

Our local presence in the countries we serve enables us to better understand and meet customers' needs. We are connecting colleagues to leverage our global presence and scale and simplifying the way we work to better serve our customers.



Digital and Services

Our relationships, technical expertise and data-driven insights are the basis of our deep customer understanding. We are focused on being highly connected with our customers throughout their process and product lifecycles to anticipate their needs and build enduring customer partnerships.



Decarbonising Thermal Energy

Our combined steam and electric expertise and innovative solutions uniquely position us to decarbonise our customers' thermal energy use. We are investing in our decarbonisation technology and capability to capture the significant market opportunity from helping customers meet their efficiency and sustainability targets.

- Read more about the progress we are making with each Growth Driver, as well as some examples of our strategy in action, on pages 13 to 31 and 50 to 58

Adapting to control the controllables

Throughout this Report we are: shining a light on how our colleagues are adapting to the ongoing market challenges, demonstrating the ways in which we are focusing on our operational priorities and taking actions within our control to drive growth.

We also highlight the areas where we are making targeted investments and demonstrate the progress we are making towards capturing the significant opportunities we see, particularly from our Growth Drivers of Digital and Services and Decarbonising Thermal Energy.

Read about the progress we are making through each of our Growth Drivers.



Commercial Excellence

Investing in sales colleagues... to better serve our customers... capturing addressable market

From local insight to regional impact...

➕ Find out how STS is leveraging Commercial Excellence to capture sales from China's overseas investments on pages 16 and 17



Operational Excellence

Focusing on operational improvements... reinvesting to support growth

From barriers to breakthrough...

➕ Find out how ETS is unlocking growth in Semicon through Operational Excellence on pages 18 and 19



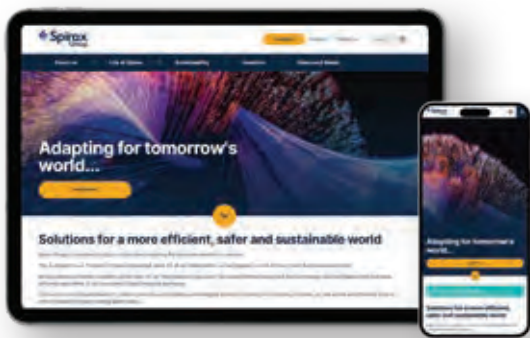
Organisational Fitness

Simplifying the way we work... connecting colleagues to leverage scale

From structural shift to sector-led outperformance...

➕ Find out how WMFTS is driving EMEA growth on pages 20 and 21





+ Read our online Report at spiraxgroup.com



Digital and Services

Being highly connected with customers... anticipating needs to build enduring partnerships

From point-in-time to real time...

+ Find out how STS is turning digital insight into operational improvements on pages 24 and 25



From reactive response to proactive planning...

+ Find out how WMFTS is creating digital value in Mining on pages 26 and 27



Decarbonising Thermal Energy

Leveraging our unique capabilities... investing in capability to capture opportunity

From assessment to impact...

+ Find out how we are identifying tangible thermal energy savings for a global drinks brand on pages 28 and 29



From energy intensive to energy efficient...

+ Find out how ETS is embedding decarbonisation solutions into OEM design on pages 30 and 31



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A year of demonstrable progress



A year of demonstrable progress delivering on our commitments

During the year, the Group has continued to demonstrate that it is a high-quality and differentiated business with meaningful growth potential and is capable of delivering despite the more volatile and uncertain macroeconomic environment.

At the Capital Markets Day in October 2024, Nimesh set out the Group's **Together for Growth** Strategy and explained how this would position us to capture the significant opportunities we see from structural drivers of growth and accordingly set the related medium-term targets.

Having now completed the first full year of implementation of **Together for Growth**, there is demonstrable progress, both in delivering against near-term expectations and more importantly, in making the changes that equip the Group to deliver our medium-term targets. The macroeconomic environment in all regions of the world has been particularly challenging and Spirax Group has demonstrated the quality of its differentiated business model to navigate those challenges as successfully as any, while continuing to make investments that will ensure delivery of compounding growth in line with our long-term targets.

In my first year as Chair, the priority for the Board under my leadership has been to support Nimesh and the leadership team in the successful and ongoing implementation of the **Together for Growth** Strategy. This includes delivering on the commitments we have made, even against a more volatile and uncertain macroeconomic backdrop.

To this end, during the year I have sought to strengthen the alignment between Board decisions and our strategic objectives, providing more disciplined oversight and more constructive challenge, underpinning the Board's commitment to sustainable growth and the creation of long-term value for all stakeholders.



In my first year as Chair, the priority for the Board under my leadership has been to support Nimesh and the leadership team in the successful and ongoing implementation of the **Together for Growth** Strategy."

Tim Cobbold
Chair

The leadership team has delivered improved performance in all three Businesses. In Steam Thermal Solutions (STS), Maurizio Preziosa has continued to prove and build on the strength of the STS business model to largely offset specific challenges in the important Chinese and Korean markets. Electric Thermal Solutions, under Andrew Mines' leadership, is now delivering strong order, revenue and margin growth, especially as operational issues are addressed. WMFTS, led by Stuart Roby, grew strongly as the Biopharm market improved, while also driving growth in industrial sectors, with higher volumes delivering significant margin expansion. In line with the **Together for Growth** Strategy, supporting this improved operating performance and positioning the Group for the future, the first steps to simplify the organisation and sharpen its operating focus whilst increasing investment targeted on the drivers of future growth, including Digital and Services and Decarbonisation, have been taken.

The Board recognises and understands the value of delivering on our commitments and so the Directors are pleased with the progress made in 2025, while remaining focused on ensuring that performance and delivery against targets continue into 2026 and beyond.

Board composition and changes

In 2025, the Board continued to evolve and to help this, the membership of the Nomination Committee has been streamlined to allow a more effective process for managing Board succession. In addition, some adjustments were made to the membership of Audit and Colleague Engagement Committees. Further details are provided in the respective Committee reports.

As reported previously, Jane Kingston stepped down as a Board member in September 2025. Maria Antoniou joined the Board in June 2025 and became Chair of the Remuneration Committee. The overlap allowed for an appropriate handover from Jane to Maria. In October, we announced Kevin Thompson's decision to step down from the Board at the forthcoming AGM in May, after seven years of service. In November 2025, to allow time for an effective handover, Andrew Kemp joined the Board and will succeed Kevin as Chair of the Audit Committee in April 2026. On behalf of the Board, I extend my sincere thanks to both Jane and Kevin for their substantial contributions to Spirax Group over many years. Maria and Andrew will both stand for election at the Company's 2026 AGM.

Board highlights

The Board met seven times during 2025, with attendance and participation detailed on page 111 of the Governance Report.

Key areas of focus for the Board this year included:

- **Strategy:** a two-day review of the **Together for Growth** Strategy focused on implementation of the strategy in the Group and the individual Businesses and a review of the Businesses' medium-term plans and long-term priorities
- **Business Performance Reviews:** regular reviews of revenue and operating performance conducted for each Business in a way that supports appropriate Board oversight whilst maintaining Executive accountability for performance; and reviews, with approvals as appropriate, of plans and proposals to simplify the organisation and sharpen the focus on operating performance
- **Risk and audit:** Principal Risk reviews, internal controls effectiveness and readiness assessment for the revised 2024 UK Corporate Governance Code (the Code) Provision 29, effective 2026; and a specific review of the Group's cyber risks and readiness
- **Digital:** ongoing review of the Group's investment in Digital and Services capability and the use of AI in addition to oversight of the ERP programme
- **People and culture:** talent development, succession planning and whistle-blowing updates
- **Governance:** Committee reports, legal matters and a comprehensive review of the Remuneration Policy ahead of the 2026 AGM

The Board's annual cycle also included approval of key policies and regular updates on sustainability, Health and Safety and Stakeholder engagement. Major decisions in 2025 ranged from the approval of the Group's restructuring and revision to the **One Planet** Sustainability Roadmap to that of the interim and final dividend payments.

✚ You can read more about these in the Section 172 Statement on pages 8 to 11

Board effectiveness

Notwithstanding the requirements of the Code, I am convinced that a regular external review of Board effectiveness is essential to support and maintain a high-performing Board. This year a review conducted by Lintstock confirmed that the Board and its Committees operate effectively, with Directors demonstrating strong commitment and constructive challenge. I support this with regular, two-way feedback sessions with individual Board members so that all views can be expressed and heard.

Whilst all Board members viewed the Board as continuing to function well and to a high level, there were nevertheless opportunities for us to improve. The actions identified through this review will inform the way we shape the Board agendas and focus the Board's time to ensure the Board remains fit for purpose and responsive to the evolving needs of the Group and its stakeholders.

Colleagues

Colleagues across the Group once again demonstrated their dedication and resilience by focusing on our operational priorities to drive growth, in what has continued to be a tough and highly volatile trading environment, while at the same time adapting to internal change. I would like to acknowledge the part played by colleagues across the Group towards the achievement of key goals this year and to offer, on behalf of the Board, our sincere thanks and appreciation for their hard work and dedication. I enjoyed meeting with and hearing the perspectives of colleagues during site visits and meetings in 2025 and I look forward to continuing these engagements during 2026.

Section 172 Statement

The Directors have prepared a statement describing how they have had regard to the matters set out in Section 172 when performing their duty to promote the success of the Company. This can be found on pages 8 to 11 of the Strategic Report.

Dividends

The Directors are proposing the payment of a final dividend of 121.1 pence per share (2024: 117.5 pence). Subject to approval of the final dividend by shareholders at the AGM on Wednesday 13 May 2026, the total ordinary dividend for the year will be 170.0 pence, an increase of 3% over the ordinary dividend of 165.0 pence per share for the prior year.

Dividend per share p

170.0p

2025	170.0
2024	165.0
2023	160.0

Looking ahead

As we look to the future, the Board remains committed to supporting Nimesh and the leadership team as they continue to implement the **Together for Growth** Strategy. I and the rest of the Board remain confident that the Group will deliver against its medium-term targets and generate long-term returns for all our stakeholders. Our governance framework, policies and practices will continue to evolve in line with best practice and stakeholder expectations, ensuring that Spirax Group is well positioned to continue to navigate complexity and succeed in a more volatile and uncertain environment.

I would like to thank all our stakeholders for their support during this pivotal year and look forward to meeting with shareholders at the AGM in May.

Tim Cobbold
Chair

9 March 2026

Stakeholder engagement

Spirax Group’s Purpose is to create sustainable value for all our stakeholders as we engineer a more efficient, safer and sustainable world. It is the Board’s role to ensure the Group can fulfil its Purpose to drive long-term success.

Our colleagues



Our colleagues make our difference every day. Their local knowledge, expertise and commitment are what drives growth and supports our Vision.

What matters:

- Doing meaningful work
- Access to development
- An inclusive, equitable and wellbeing-focused culture
- Safety and sustainability at work

How the Company engages:

- Monthly CEO-led Senior Leaders’ Briefings and annual leadership conference
- Business and Function-specific conferences and townhalls
- Operating company visits
- Communications and campaigns on strategy and a wide variety of topics
- Biennial Colleague Engagement Surveys

How the Board engages:

- Yearly Safety Stand Down led by our Group CEO
- The Board visits a number of operating companies each year
- Board-facilitated colleague focus groups are held each year
- Board reviews the Colleague Engagement Survey results and monitors action plans
- NEDs join colleague ‘Coffee Talks’

How we measure progress:

- All-workplace Injury Rate
- Safety leading indicators such as Safety Observations and High-Potential Events
- Safety Culture Index Score
- 2025 Colleague Engagement Survey Engagement and Enablement scores
- Progress against our Diversity Goals

Outcomes in 2025:

- Our Engagement score remained stable and slightly ahead of the Global Industrial Goods benchmark, while our Enablement score fell three points from 2023
- These survey insights are guiding our 2026 plans to strengthen the support and tools colleagues need to do their best work

➕ Read more on pages 62 to 69

Our customers



Our customers are why we exist. Working as their partner to anticipate and solve their thermal energy and fluid technology needs is at the heart of our approach.

What matters:

- Solutions capability to solve their critical operating challenges
- Global presence with local access and speed of response
- Trusted product quality
- Efficiency and sustainability

How the Company engages:

- Our ~2,900 sales and service engineers maintain close relationships
- Voice of Customer (VoC) activities and field trials of new products and solutions including digital solutions to support improved customer insights
- On-time delivery of high-quality and highly reliable products

How the Board engages:

- Customer site visits and meetings
- Business and Divisional reports
- MD insight sessions as part of the annual Board strategy meeting

How we measure progress:

- Demand trends and Business growth
- Structured VoC methodologies in each Business
- Consider Principal Risks, including ‘inability to identify or respond to changes in customers’ needs’

Outcomes in 2025:

- Our strong demand growth and high margins evidence the value customers continue to attribute to our products and solutions
- VoC insights validated demand for our Thermal Energy Assessment offer as a high-value standalone service that helps customers turn decarbonisation ambition into practical, cost-efficient action
- In Digital and Services, our structured VoC work gave us a clearer, evidence-based view of what customers truly need, helping us focus on the solutions that create the most value

➕ Read more on pages 46 to 58 and 84 to 100

Our communities



Our communities are the lifeblood of our local operations. They are ‘home’ to our colleagues, customers and suppliers and that’s why we support them to thrive.

What matters:

- Employment and local supply chain
- Engagement programmes focusing on local needs that build long-term resilience
- Ethical behaviour
- Sustainable practices

How the Company engages:

- Our Education Fund supports inclusive and equitable access to education within the communities in which we operate
- Colleagues have access to three days’ paid volunteering to support local communities
- Operating companies support their local causes and the Group provides Matched Giving for International Day of Charity

How the Board engages:

- One Non-Executive Director acts as a Trustee of Spirax Group’s Education Fund
- The Board receives annual updates on the Education Fund and progress against **One Planet** community engagement targets

How we measure progress:

- Colleague volunteering hours recorded
- Grants made by Spirax Group Education Fund
- Operating company cash and in-kind donations

Outcomes in 2025:

2025 marked the completion of the first phase of our **One Planet** Sustainability Strategy. Since 2021, to support the wellbeing of our communities, we have:

- Recorded >c.112,000 colleague volunteering hours
- Donated £1.45 million cash and in-kind through our Group companies
- Donated £4.1 million through the Group Education Fund

➕ Read more on page 81

Our environment



Our environment is the ecosystem that sustains us. That's why we work hard to conserve precious resources and reduce carbon emissions to support a sustainable future for our planet.

What matters:

- The future of our planet, particularly global warming
- Protecting precious resources

How the Company engages:

- Alignment to key reporting standards
- Setting externally validated science-based reduction targets

How the Board engages:

- Review and address the environmental impacts of our operations
- Approval of refreshed **One Planet** Sustainability Roadmap

How we measure progress:

- CO₂e reductions
- Group energy consumption
- Total water use
- Total waste generation

Outcomes in 2025:

2025 marked the completion of the first phase of our **One Planet** Sustainability Strategy. Since 2021, we have:

- Exceeded our target of a 50% reduction in CO₂e (scopes 1 and 2)
- Exceeded our targets for water use and waste reduction (15% and 10% respectively)
- Met our 20% energy reduction target
- We did not meet all our 2025 targets, although we made substantial progress. More details are included in the Sustainability Report
- The Board approved the refreshed **One Planet** Sustainability Roadmap

[+ Read more on pages 72 to 75, 77 and 78](#)

Our suppliers



Our suppliers are essential to our success. That's why we form mutually beneficial, long-term partnerships that help them fulfil their potential, as well as their sustainability goals.

What matters:

- Ethical and sustainable practices
- Human Rights and the safety of their workforce
- Delivering growth through mutually beneficial long-term relationships

How the Company engages:

- Supplier Sustainability Code and active support across our supply chain
- Supplier Sustainability Portal
- Conflict Minerals reporting and management
- Work with logistics suppliers to influence their approach

How the Board engages:

- Considers deep dive risk assessment into Principal Risks, including 'loss of manufacturing output'
- Considers the responsible value chains and supplier engagement aspects of **One Planet**

How we measure progress:

- Supplier participation in the Supplier Sustainability Portal and supplier sustainability performance measures
- Number of suppliers that have signed the Supplier Sustainability Code

Outcomes in 2025:

- Supplier engagement informed the refresh of the **One Planet** Sustainability Roadmap and has enabled a more targeted, risk-based approach to supplier assessments and audits
- 1,000 of our strategic suppliers were requested to complete a full assessment in the Supplier Sustainability Portal

[+ Read more on pages 80, 82 and 84 to 100](#)

Our shareholders



Our shareholders are invested in the success of our Group. That's why we give them the clarity of our financial ambitions and confidence in our ability to deliver over the medium and long term.

What matters:

- Sustainable, long-term value creation
- Strong governance and leadership
- Transparent and reliable reporting on financial, operational and strategic progress

How the Company engages:

- Regular reporting of financial results, as well as operational and strategic progress
- Capital markets events to support deeper understanding of the Group's Businesses
- Site visits to manufacturing facilities
- Comprehensive information available in the IR section of the Group's website

How the Board engages:

- The Board actively seeks and addresses investor views and concerns
- Board members attend the AGM, review the Full and Half Year Results, as well as the Annual Report and several also take part in investor meetings
- The Board regularly receives trading and performance updates, enabling it to assess shareholder value creation in the short, medium and long term

How we measure progress:

- Shareholder feedback
- AGM voting

Outcomes in 2025:

- The Board has overseen progress in implementing our **Together for Growth** Strategy, to create long-term shareholder value
- At the 2025 AGM, 84% of the shareholding voted, with 95% votes in favour of re-electing the Directors
- Board approval of dividend payments reflects its role in balancing shareholder returns with long-term investment and resilience

[+ Read more on pages 32 to 58 and 101 to 114](#)

Principal decisions

The Board considers the matters required by Section 172 in all the decisions it makes and below are two examples of decisions taken by the Board during the year and how the relevant matters in Section 172(1) (a) to (f) of the UK Companies Act 2006 were considered.

Organisational Fitness: Simplifying our organisation, reducing duplication

Stakeholders considered



In early 2025, the Board reviewed and approved developments to our organisational structure and operating model, as part of our **Together for Growth** Strategy, to drive performance and sustainable growth. This included global restructuring, reducing our management structures and moving towards a simpler, more agile and scalable organisation.

Customers

Our simpler organisational structure is strengthening our focus on customers by reducing layers of management and increasing the time our teams spend with them. Sectorising our sales teams allows sales engineers to deploy and deepen their process expertise more effectively, supporting the delivery of value-add solutions. The introduction of inside sales teams is also releasing additional capacity for sales engineers to increase the frequency and quality of customer engagement.

By simplifying our structure and internal processes, we are improving collaboration and enabling technical expertise to be shared more effectively across the Group, benefiting a wider range of customers and supporting sustainable growth.

Colleagues

Throughout the year, the Colleague Engagement Committee met with colleagues in operating companies impacted by the programme and reported to the Board the desire of our colleagues to have simplified internal processes, reduced administrative burdens and more efficient and effective ways of working. Taking into consideration their views and implementing improvements have contributed to a more agile and empowered workforce, better aligned with our long-term growth ambitions.

Shareholders

In addition to enhancing operational efficiency, these changes will realise annualised savings of £40 million, mostly reinvested in growth, contributing to improved long-term shareholder value.

Growth Drivers alignment:



[+ Read more on pages 15 and 20](#)

Growth Drivers:



One Planet Sustainability refresh: Refocus, re-prioritise and ensure continued alignment with stakeholder expectations

Stakeholders considered



Five years after the creation of our **One Planet** Sustainability Strategy, the sustainability team led a review, taking account of the more volatile external conditions and internal developments. As part of this process the team carried out over 40 in-depth engagements with internal and external stakeholders. The diverse inputs included voice of customer insights, investor expectations and peer benchmarking, which supported our ability to rightsize our approach based on stakeholder needs. Through the process, the Group Executive Committee was engaged at regular intervals, ahead of the refreshed **One Planet** Sustainability Roadmap being approved by the Board in October 2025. A more detailed overview of the steps undertaken to plan the strategy refresh can be found on page 61 of the Sustainability Report. Further information about the new Roadmap will be communicated in 2026.

Customers

We carried out customer interviews and questionnaires to understand the evolving needs of our customers. The **One Planet** refresh focuses on partnering with our customers to help them meet their sustainability targets, which in turn helps us deliver our **Together for Growth** Strategy. Being highly connected with our customers helps us to better understand their sustainability requirements and to meet their needs, for example, by implementing systems to embed eco-design into our processes we can reduce the impact that both we and our customers have on the environment.

Suppliers

During 2025, we completed deep-dive risk assessments on high-risk commodities, geographies or supplier categories which influenced our supply chain management approach. We are committed to having responsible supply chains and through focusing on what is material to us, we are transitioning from a broad-based approach towards a risk-based approach to supply chain management.

Shareholders

Sustainability is widely recognised as a driver of long-term financial performance, risk mitigation and resilience. To capitalise on this and capture associated value for our shareholders, the **One Planet** refresh provides a roadmap that helps us further embed sustainability into products and service innovation.

Our stakeholders:



Colleagues

Our colleagues take pride in contributing to solutions that reduce environmental impact, enhance energy efficiency and promote responsible resource use across all the industries we serve. By embedding sustainability into every part of the business, from innovation and operations to supply chain and social impact, we support a culture of accountability and long-term thinking. We continue to offer three days of paid volunteering leave annually, allowing our colleagues to engage with causes that matter to them and drive positive impact. These shared commitments not only drive business growth but also positively influence colleague engagement, talent attraction and retention.

Communities and environment

The **One Planet** refresh remains wholly aligned with our Purpose and Vision to deliver a low-carbon, resource-efficient world for all our stakeholders. We will continue to support our communities, while advancing human rights within our operations and supply chain partners.

Growth Drivers alignment:



+ Read more on pages 60 to 81



Guiding principles

The Directors' focus is on promoting the long-term success of our Group, acting in good faith to promote the Company's success for our shareholders, considering and engaging with stakeholders and addressing the matters in Section 172(1) (a) to (f) of the Companies Act 2006.

A. the likely consequences of any decision in the long term

The Board receives regular progress updates from the Group Executive Committee (GEC) and their direct reports on progress of each element of the strategy. The Board through its specialist expertise provides strategic direction and positive challenge to the GEC.

+ Read more on pages 92, 108, and 110 to 112

B. the interests of our colleagues

The Colleague Engagement Committee (CEC), acting under delegated authority from the Board, engages regularly with colleagues through site visits, focus groups and presentations from senior managers. The CEC reports engagement outcomes to the Board, enabling consideration of colleague feedback in strategic decisions.

+ Read more on pages 117 to 121

C. the need to foster business relationships with suppliers, customers and others

The Board reviewed and approved the **One Planet** refresh in October 2025. The new Roadmap provides a framework to build on progress made over the last five years to advance sustainable operations and responsible value chains and was developed following close engagement with stakeholders.

+ Read more on pages 61, 102 and 103

D. the impact of our operations on the community and the environment

Currently, one Non-Executive Director acts as a Trustee of Spirax Group's Education Fund, participating in the selection and allocation of funds to support projects that address educational needs and promote inclusion in the communities in which we operate. Since 2022 the Education Fund has donated £4.1 million to educational causes, with ~£819,000 donated in 2025.

+ Read more on page 81

E. the desirability of maintaining a reputation for high standards of business conduct

The Board is committed to conducting business with honesty and integrity and expects all colleagues to maintain high standards in accordance with the Group Management Code and our Values. The Board also maintains policies that underpin responsible business conduct, including the Code of Conduct, Whistle-blowing Policy, Anti-Bribery and Corruption Policy and Human Rights Policy.

+ Read more on pages 69, 82 and 83

F. the need to act fairly between our shareholders

The Board recognises by maintaining meaningful engagement with all stakeholders it is aware of their evolving needs and interests. Tim Cobbold met with 14 investors throughout 2025 and shared the high-level themes from these meetings with fellow Directors and management as appropriate. The Board also met with a number of retail shareholders during the Company's AGM. The Remuneration Committee Chair, together with the Chair designate, also met with investors to discuss updates to the Remuneration Policy.

+ Read more on pages 8, 9 and 102 to 105

Delivering our strategy through focused execution



Summary of 2025 performance

Group organic sales growth of 5% was well ahead of IP. Organic growth in adjusted operating profit was 6% with the adjusted operating profit margin of 20.0% higher by 30bps organically. All three Businesses delivered organic sales growth and higher adjusted operating profit margins. Currency movements adversely impacted sales by 3% and adjusted operating profit by 4%.

Our Group continued to focus on the operational priorities within our control, including driving growth through MRO and solution-selling, as well as delivering improvements in manufacturing throughput, particularly in ETS. We protected margins against cost inflation and tariff impacts through pricing discipline and efficiency savings, as well as completing our restructuring which will deliver annualised savings of £40 million, with approximately half realised in 2025. Operating leverage from organic sales growth and the savings from restructuring funded our investments in sales headcount, customer digital connectivity, digital tools for sales effectiveness, new product development and new decarbonisation solutions, all of which will drive future compounding growth. Even with these investments, the Group delivered a higher-than-normal drop-through from the organic increase in sales to profit. I am grateful to my colleagues around the world for their strong execution of the priorities in our **Together for Growth** Strategy and for their commitment to delivering for all our stakeholders despite the more volatile and uncertain economic environment.

Global Industrial Production growth (IP) of 2.1%, or 1.7% excluding China, was lower than had been forecast at the beginning of the year and remained weak throughout the year in our key markets. As expected, trading conditions in China reflected customers' reduced expenditure on large projects. In Korea, political instability early in the year led to capital investment decisions being temporarily deferred.

STS organic sales growth was 1% despite weaker than expected IP, with good growth in MRO and solution-sales offset by anticipated weakness in large projects, particularly in China and Korea which are more exposed to customers' capital spending than other regions. However, as expected, the weakness in large project demand in China and Korea moderated through the year. Excluding these large project sales, STS organic sales growth was 3% and well ahead of IP, demonstrating the successful execution of our Commercial Excellence initiatives. STS margin of 23.5% was 40bps ahead of 2024 organically, with restructuring savings mostly reinvested in growth drivers.

ETS organic sales growth of 11% was supported by strong demand growth in all three Divisions. In Process Heating, sales growth was delivered through continued operational progress in driving higher shipments from the large order book, supplemented by a large contract win from a datacentre focused OEM customer. Equipment Heating benefited from continuing Semicon demand, supplemented by growth in Nuclear and Aerospace & Defence. In Heat Trace, we saw the early benefits of our now separate and focused team of sales engineers targeting new sectors, regions and customers, with growth driven in the USA and by expansion in EMEA. Operating leverage from sales growth, offset by the shipments of residual lower margin legacy orders (now largely completed) and initial running costs for the new Medium Voltage (MV) facility in Ogden, delivered a 20bps organic improvement in ETS margin to 16.2%.

WMFTS organic sales growth was 6%, supported by strong growth in Process Industries, well ahead of IP, led by our sales teams in the Americas, as well as EMEA, where we moved from a geographic to a sectorised focus in early 2025. In Biopharm, sales growth accelerated through the second half driven by continuing orders growth of over 10%. WMFTS margin was up by 160bps organically with second half operational gearing from higher sales and supply chain efficiencies partly offset by investment in growth drivers.

We continued to make progress in Health and Safety and the delivery of our sustainability targets. Our All-workplace Injury Rate¹ (which includes lost time accidents) reduced by 8% from 2.30 in 2024 to 2.12 in 2025. Progress towards meeting our One Planet targets included a reduction in our absolute scopes 1 and 2 greenhouse gas emissions of 23% compared to 2024 and a 63% reduction compared to our 2019 baseline.

The Board has declared a final dividend of 121.1 pence (2024: 117.5 pence) per ordinary share, bringing the total dividend for the year to 170.0 pence. The total dividend for 2025 represents 3% growth compared to 2024, reflecting our confidence in the Group's business model, strategy and medium-to-long-term prospects.

1 Requiring first aid and above; per 100,000 work hours worked.

5%

Group organic sales growth was well ahead of IP.

Strategic Update

Our unique business model is foundational to our long track record of mid-single-digit organic sales growth at close to 2x IP, mid-to-high-single-digit organic profit growth and strong EPS growth. Our **Together for Growth** Strategy builds on this to sustain and accelerate compounding organic growth and returns on capital through operational priorities that enhance our sales, manufacturing and organisational effectiveness to meet our customers' evolving needs. Through leveraging the power of the Group, we are delivering efficiencies that generate savings, enhance margin and fund investment into targeted areas to capture the significant compounding organic growth opportunities we see ahead. Progress during the year is set out below.

Strategy in action — Operational Priorities



Commercial Excellence

Our global direct sales force and strong local customer relationships are the core of our business model and a key differentiator. We are investing in the capability of our sales colleagues to better serve customers and meet their evolving needs, as well as to expand and capture our addressable market opportunity.

Across all three Businesses, during 2025, we sharpened our sector focus to better leverage our deep process expertise and enhance the value we deliver to customers, alongside extending our reach into new sectors and applications. To support this, we also strengthened our regional presence through targeted increases in sales headcount, as well as amending our Sales Incentive Plans to better align and reward our sales colleagues' focus on profitable sales growth.

In STS, our deep process knowledge is critical to delivering MRO and solution-sales in China and helped drive double-digit growth across a significant installed base. We also leveraged local customer relationships and engineering capability to secure orders from customers such as Wuxi Biologics, CATL (EV Battery) and INTCO (Medical Technology) for their expansions outside China.

In the USA, we worked with distributor partners to drive co-generated demand by leveraging our direct sales engineers' expertise to generate MRO and solution-sales from new customers in our target sectors, particularly Hospitals, Oil & Gas and Chemicals. During 2025, STS implemented strategic growth plans with 22 distribution partners, driving a high-single-digit increase in demand from those partners that were onboarded early in the year, compared to 2024.

170.0p

Total dividend for 2025 reflecting our confidence in the Group's business model, strategy and medium-to-long term prospects.

We identified further opportunity for regional expansion, adding resources across nine countries, expanding STS's ability to serve customers in the Middle East, Africa and South America. We also developed products to access new markets such as turbine drainage in nuclear power applications.

In ETS, we targeted the Datacentre sector with temperature control solutions, through Process Heating and Heat Trace, driving strong growth from a large contract award. We are building on this experience, technology and cross-functional expertise to explore other potential partnerships with OEMs and customers as we continue to expand in this fast-growing market.

In WMFTS, following the reorganisation completed in the first half, our sales teams are now fully sectorised, allowing us to better develop and deploy our deep expertise into customers' processes. In Process Industries, this has driven double-digit demand growth in focus sectors such as, Medical Devices, Mining and Water & Wastewater, led by the Americas and EMEA, as well as in Food & Beverage in APAC. In Biopharm, we continued to invest in WM Architect, our proprietary solution for connecting disparate OEM systems in the bioprocessing fluid pathway, with additional sales headcount and expansion into new regions, driving demand growth of over 30%.

During 2026, we will continue to progress with these initiatives with a specific focus on maximising the value of our direct sales engineers' expertise and local relationships to drive organic growth.

Strategy in action — Operational Priorities continued



Operational Excellence

Our regional manufacturing facilities are strategically positioned close to our sales operating companies to deliver high levels of customer service and maintain agility in our supply chain. We are focused on continuous operational improvements, reinvesting the benefits to support future growth.

Following a review of our manufacturing footprint and product portfolio, focused on optimising what we make and where we make it, we completed the closure of our STS facility in Mexico with production transferred to the USA. Following the decision to pause the planned expansion of our Gestra manufacturing facility in Germany, we completed a formal process with the local Works Council and Union, reaching agreements to drive efficiency and performance improvements. We have also made progress in further localising manufacturing activity, transitioning from EMEA to China and India, to shorten lead-times for our customers in APAC and reduce costs, while ensuring we maintain our quality-driven competitive advantage.

In ETS, the continued focus on driving improvements in operational efficiencies, particularly in Process Heating, has improved throughput and materially reduced lead times. For larger heaters manufactured in North America, design engineering lead times have now been reduced from 60 weeks to six weeks, we have increased daily rates for the manufacturing of heating elements and improved the efficiency of our welding and hydro-testing processes. As a result, we have increased output from these factories by over 20% over the past two years. Our dedicated Medium Voltage facility expansion in Ogden was completed on time and within budget and we have begun to ramp-up production.

Our growth in the Datacentre sector was made possible by collaboration across Process Heating and Heat Trace to deliver an end-to-end bespoke solution for a large customer. Our sales team identified the opportunity, working with our design engineers to create a bespoke product that met specific operating requirements. We progressed from testing a new technology to winning a material order, with colleagues in manufacturing adapting processes and systems to scale production, enabling shipment of large volumes within the year.

In Equipment Heating, we were able to respond rapidly to double-digit growth in Semicon demand, leveraging Thermocoax's new ERP system and our Group-wide Operational Excellence Framework that embeds continuous improvement in production processes. As a result, we ensured compliance with strict product requirements while ramping up throughput, demonstrating our agility in serving customers' dynamic needs and further strengthening our customer relationships.

In WMFTS, we have swiftly and efficiently ramped-up production to meet strong demand growth from both Biopharm and Process Industries' customers, demonstrated by the high drop-through from the organic increase in sales to profit. In parallel, we closed our higher-cost Alitea pump facility in Sweden, transferring production to the UK. We have also begun the transfer of certain UK-manufactured components to our USA facility, supporting compliance with the 'Build America, Buy America' Act, leading to volumes in the facility increasing by over 20% compared to 2024 and continuing to grow.

Another important pillar of Operational Excellence is our focus on driving benefits from material usage, procurement and labour productivity. Through Group-wide collaboration, this realised savings that offset most of the return of variable compensation after two years of lower payments.

We remain focused on opportunities to optimise our manufacturing footprint. Like all manufacturing businesses, we will continue to review our product portfolio, as well as where we make our products, while delivering high levels of service to our customers and preserving a robust supply chain.



Organisational Fitness

Our local presence in the countries we serve enables us to better understand and meet customers' needs. We are connecting colleagues to leverage our global presence and scale, while simplifying the way we work to better serve our customers.

In STS, we successfully implemented a simplification of our organisational structure in the EMEA region, moving from 19 individually managed operating companies to 10, continuing to serve 23 countries and maintaining our local, direct sales capability while reducing management layers. This new structure has also allowed us to consolidate our technical sales and service capabilities to be leveraged across all the markets we serve. With sales engineers now better able to focus their time and better equipped to deliver for customers, organic sales growth in EMEA accelerated in the second half to 3%, well ahead of IP at 1.1%.

In ETS, we adapted the structure of the Business to create a third Division, Heat Trace, to stand alongside our existing Process Heating and Equipment Heating Divisions. Creating a separate, focused team of sales engineers targeting new sectors, regions and customers, delivered double-digit sales growth in 2025.

In WMFTS, following the reorganisation completed in the first half, in addition to fully sectorising our EMEA sales teams, we also established an Inside Sales team focused on serving smaller customers and fulfilling less complex orders. As a result, we have freed-up our more experienced sales engineers to spend more time visiting customers to understand and address their process needs. In 2025, this change delivered a 20% increase in customer-facing time.

Working together across the Group, we continued to make progress on creating a single global common design for our ERP, moving away from having three independent Business programmes, thereby reducing cost and execution risk. Having completed the design phase, we are now building and testing the ERP and will pilot it in specific areas of WMFTS from the second half of 2026 onwards. Implementation will be sequenced in a way that manages the associated annual cost and potential operational risk.

We will continue to explore further opportunities to leverage scale and synergies across our Businesses and Group to support customer focus and drive growth.

2025 restructuring

The organisational changes and consolidation of manufacturing facilities implemented in 2025 will deliver annualised savings of £40 million, with approximately half realised in 2025. As planned, these savings were mostly reinvested in organic growth priorities that will drive future compounding growth.

Implementation costs of £40 million have been taken as a restructuring charge in 2025, of which £33 million were cash costs and £7 million were non-cash charges. Approximately £22 million of the cash costs were incurred in 2025 with the majority of the remaining £11 million expected to be incurred in 2026. We do not expect material new restructuring activity or charges in 2026 and remain focused on delivering growth and returns from the investments we have made in 2025.



From local insight to regional impact...

...how STS is capturing sales from China's overseas investments.

Due to the downturn of large projects funded by capital expenditure budgets in China, the Steam Thermal Solutions (STS) OpCo in China has been adapting to the challenging trading environment. Our response has included continuing to redirect focus from capital-intensive projects to maintenance, repair and operations (MRO), resulting in double-digit MRO growth in China, building on similar growth in 2024.

Our local team has also been tracking China's outbound direct investment (ODI) across Asia due to the complementary advantages of its key markets, such as logistics positions, cost-efficient labour and expanding domestic consumption.

We've been present in China for 30 years and have built up a significant installed base and become highly connected to our customers. These relationships help us drive MRO growth domestically and provide a unique insight into our customers' broader plans and opportunities, such as their project investments outside China.

We began tracking these investments in 2024, focusing on Southeast Asia, which receives the majority of China ODI* and where we have a direct presence in six countries. By linking up China, which as our largest OpCo has significant engineering capabilities, with our teams in the smaller OpCos, we are leveraging our in-depth

knowledge of Chinese customers' process applications and combining this with the local knowledge and relationships held in country.

This approach has resulted in over 100% growth in sales for projects in Southeast Asia with Chinese customers and includes a significant order in Singapore for a leading Biopharm customer that we have worked with in China for 15 years. This award is a great demonstration of how we approach Commercial Excellence. Having already delivered six similar projects for this customer in China and one in Europe, we have built up a trusted relationship, as well as a deep understanding of their needs.

Being involved early enabled us to fully scope our customer's needs and ultimately provide a tailored, turnkey solution that optimises efficiency and reduces system integration risks. Our teams are now engaged in delivering two steam boilers and associated auxiliary systems, including heat recovery, for an important new research, development and manufacturing facility in Singapore that is expected to put 120,000 litres of Biopharm capacity production into operation during 2026.

"Our collaboration was instrumental in providing our customer with the best, bespoke solution and the local, customer service they expect from our teams in both China and Singapore. It's a great example of how we are continuing to drive growth by anticipating our customers' evolving needs and working across our organisation to harness the opportunities where we are uniquely placed."

Paul Lee Suay
Divisional Director Asia Pacific for STS

15-year

customer relationship in China

Significant contract award in Singapore, supporting sales growth of over

100%

from China's ODI projects

* Source: China Briefing, Dezan Shira and Associates.





From barriers to breakthrough...

...how ETS is unlocking Semicon growth from Operational Excellence.

In 2025, our Electric Thermal Solutions (ETS) Business faced a pivotal challenge and opportunity when one of the world's largest manufacturers of wafer fabrication equipment for the Semicon sector significantly stepped up its demand for 'chucks', the temperature-controlled tables essential for their microchip wafer production.

ETS Thermocoax (France) is the customer's sole supplier of these critical components and was called upon to deliver volumes exceeding previous forecasts and supporting double-digit growth in Semicon demand.

Putting the customer's needs first, our team mobilised with a focus on Operational Excellence. This began with the introduction of daily key performance indicators for safety, throughput and quality, empowering the production teams and shifting the mindset to that of continuous improvement.

Self-directed teams are groups responsible for managing their own work processes, established to monitor bottlenecks in real time across the production process.

By addressing and challenging issues independently and setting service level agreements with their internal customers, colleagues were able to resolve issues swiftly and collaboratively.

In addition, by reallocating machines and adding shifts to the existing production line, we overcame the customer's strict 'copy exact' requirements that limited outsourcing and new line setups, significantly increasing production while ensuring all 'chucks' were produced to the highest industry standards.

A major hurdle in scaling production was the six-month lead time for raw materials. We adapted to this challenge by working closely with suppliers to secure timely material flow, while also boosting the output of our cleaning supplier to match new production targets.

Through these targeted operational improvements, we successfully ramped up 'chuck' production to 2.5x the previous year's volume, consistently achieving daily targets. This achievement not only met the urgent needs of a major customer but also demonstrated our ability to adapt and respond rapidly to sector recovery to drive growth.

"ETS' ability to deliver at scale, despite supply chain challenges and the customer's 'copy exact' requirements, demonstrates our commitment to serving our customers through Operational Excellence."

Peter Boulton
Group Operational Excellence Lead

2.5x

increase in production compared to 2024, supporting...

...double-digit

growth in Semicon demand









From structural shift to sector-led outperformance...

...how WMFTS is driving EMEA growth.

In 2025, Watson-Marlow Fluid Technology Solutions (WMFTS) EMEA undertook a significant structural transformation as part of the Group's Organisational Fitness Growth Driver. This shift, which adapted the sales structure from a geographic model to one centred on the Biopharm or Process Industries sectors, has delivered immediate and measurable impact by sharpening commercial focus and enabling deeper market penetration across Europe.

Previously, under the geographic structure, our Process Industries sectors received less targeted attention. Building relationships in these sectors typically requires more time, technical engagement and onsite presence, while individual order values vary considerably. For example, a £50k order is standard in Biopharm but represents a more significant win in Process Industries. As a result, the previous model unintentionally constrained WMFTS' ability to capture growth in the Mining, Water & Wastewater, Food & Beverage and Medical sectors in particular.

The 2025 reorganisation addressed this challenge through the creation of dedicated sector-focused teams for Biopharm. Each Process Industries sector now benefits from a team whose sole mandate is to build deep, long-term customer relationships and pursue technically complex, high-value opportunities.

The addition of a structured inside sales team further freed up the more experienced sales engineers to concentrate exclusively on high-priority accounts and strategic solutions.

The impact has been clear. Within EMEA, Process Industries delivered strong growth in 2025, well ahead of IP, with Medical and Mining emerging as standout contributors.

Double-digit demand growth in Medical reflects the longer sales cycle of the sector alongside WMFTS' breadth and quality of product offering.

Demand from Mining customers benefited from increasing mineral prices, as well as increasing sustainability requirements. We have expanded our distributor networks, made strategic hires and established strong partnerships with global and local Engineering Procurement and Construction firms. These relationships secure earlier involvement in major projects.

In Europe, demand from Mining increased by 40%. Mining is now one of four target sectors within WMFTS' **Together for Growth** Strategy. With additional sales enablement, marketing support and training planned, we are strongly positioned to convert today's momentum into sustained growth across the Mining value chain.

Strong growth

in EMEA Process Industries, well ahead of IP, with Medical and Mining standout contributors

Double-digit

demand growth in Medical

40%

demand growth in Mining



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Strategy in action — Investing for growth



Digital and Services

Our relationships, technical expertise and data driven insights are the basis of our deep customer understanding. We are focused on being highly connected with our customers throughout their process and product lifecycles to anticipate their needs and build enduring partnerships.

During 2025 we invested in product development and in **CONNECT**, our proprietary, secure and scalable IIoT platform on which we host applications. These help our customers improve the safety, efficiency and sustainability of their critical processes by accessing real-time data, operational efficiency insights, predictive analytics and sustainability metrics. The next generation of **CONNECT** will be launched in the first half of 2026.

In STS, we more than doubled the number of digital customer connections, bringing the total number of connected sites to over 2,000. Through our defined digital value propositions, such as Wireless Steam Trap Monitoring, we are seeing the value of our investment with high-double-digit growth in digital product and service revenues, as well as additional product pull-through from identifying optimisation, replacement and repair opportunities.

Our wireless Steam Trap Monitoring has been deployed to customers in multiple sectors and regions, validating the customer benefits from improved system health, preventative maintenance and reduced energy usage. Beyond the upfront product and service revenues, we are unlocking future potential product pull-through revenues and expansion to additional sites.

We progressed our proof-of-concept trials in WMFTS, with installations of connected machine-learning Bredel pumps at customer sites spanning the Wastewater, Mining, Brewing and Construction sectors with further pilots planned for 2026. We are using customer feedback and data from the pilots to test and further develop the analysis and alerts that are delivered by the **CONNECT** platform.

During 2026, we will continue to add customer digital connections, driving increased pull-through revenues.

With a focus on enhancing sales engineer productivity, we have also continued to refine and develop our proprietary large language model-based training and solutions tool, MiM. This tool has been built using our extensive bank of proprietary application knowledge to reduce the time required to train our sales engineers and to improve the productivity of experienced engineers. During 2025, MiM was piloted with 200 sales colleagues, with usage freeing up approximately four hours of their time per person, per week; time that is being redeployed into additional customer-facing activities. MiM has now been rolled out to over 1,000 sales colleagues as we expand its sector-based content.



Decarbonising Thermal Energy

Our combined steam and electric expertise and innovative solutions uniquely position us to support our customers with decarbonising thermal energy use in industrial processes, representing a significant long-term growth opportunity for our Group, with an additional annual addressable market of approximately £7 billion. We are investing in our decarbonisation technology and capability to optimise, manage and ultimately decarbonise customers' production processes to meet both their efficiency and sustainability targets, through four go-to-market strategies:

Steam and Condensate System Energy Optimisation and Electrical Energy Optimisation

STS sales engineers are experts in identifying and solving inefficiencies in steam and condensate loops, while ETS sales engineers meet the same need in managing electric thermal energy. These skills underpin our unique competitive advantage, are core to our customer value propositions and a key foundation of our decarbonisation offer. In 2025, we increased the number of STS quotes that include sustainability benefits by over 50%, generating additional site audit opportunities and product pull-through revenue.

Additionally, as part of the reorganisation of the STS EMEA sales function, we established Sustainability Centres of Excellence to compliment the extensive market and customer knowledge held by our sector specialist sales engineers. As an example of the value of this new model, STS was appointed as preferred supplier for Steam System Audits for a global Food & Beverage customer, across 20 sites, with the potential to deliver pull-through revenues of ten times the value of the audits.

TargetZero (potential annual addressable market: approximately £2bn)

Our unique combination of steam and electric thermal energy expertise has enabled us to develop innovative solutions such as **SteamVolt**, **Electrofit**, **Steam Battery** and **High-Temperature Heat Pumps** to decarbonise steam generation. We have reached agreement with several global industrial Boiler OEMs to incorporate our **SteamVolt** technology into their electric boilers, with our first pilot solutions installed in a Food & Beverage facility and a second one installed in a Chemical plant. We continue to test and refine our **Electrofit** solution with a global Food & Beverage customer at two production sites. We have also made progress in the commercialisation of High Temperature Heat Pump technology for the generation of steam utilising waste process heat. Through a commercial partnership with a leading global provider of heat pumps, we have six units currently being validated on customer sites.

PoweringZero (potential annual addressable market: approximately £5bn)

In Process Heating (ETS), we have a leading competitive position in delivering customised Low Voltage (LV), and increasingly, Medium Voltage (MV) electric resistance heating solutions into our customers' critical processes. **PoweringZero** solutions are enabling the replacement of traditional fossil fuel heating across a number of industries such as Food & Beverage, Construction and Pulp & Paper; and expansion into new sectors such as energy storage. During the year, we secured contracts to design and supply MV heaters to a power generation customer for its first renewables energy storage facility in the UK; a European Paper manufacturing OEM for sustainable drying solutions in tissue production, a sector traditionally reliant on carbon-intensive gas; and a Chemical customer to support emission reductions. Prototype higher voltage and higher temperature heating elements, which have the scope to expand our addressable market, are also in testing for deployment to customer sites in 2026.

Integrated Thermal Energy Assessment

Through our unique combination of steam and electric expertise, we provide holistic audits of customers' thermal energy needs, supporting the development of their energy optimisation and decarbonisation pathways. During the year, we developed our integrated thermal energy assessment operating model and go-to-market strategy, enabling us to combine our steam and electric thermal expertise in delivering these assessments.

We delivered multi-site pilots for customers in the Food & Beverage sector. As an example, for a leading global drinks brand customer, a combined ETS, STS and cross-functional team including digital and services experts, identified a range of opportunities for system optimisation, maintenance savings and electrification, across four high-energy consuming sites. Our assessments identified 34 recommendations with a projected annual energy saving of approximately 10%, representing a pull-through revenue opportunity of over £1 million. The pipeline of interest in our proposition validates that customers value a combined and holistic review of their thermal energy needs and in 2026, we will add further pilots and identify further pull-through revenue opportunities from our combined thermal energy solutions.

Nimesh Patel

Group Chief Executive Officer
9 March 2026



From point-in-time to real time...

...how STS is turning digital insight into operational improvements for customers.

Our ongoing investment in Digital and Services is strengthening customer value creation and opening new avenues for sustainable organic growth across the Group. By remaining highly connected with customers and embedding ourselves more deeply in their process and product lifecycles, we are building long-term, insight-driven partnerships that anticipate challenges earlier and deliver measurable operational improvements, as well as efficiency savings.

At the centre of this progress is **CONNECT**, our secure and scalable IIoT platform. In 2025, we accelerated its development, expanding its ability to deliver real-time performance data, operational insights, predictive analytics and sustainability metrics.

STS has been at the forefront of this shift, combining long-standing application expertise with digital innovation to tackle recurring customer pain points, including unplanned downtime, process troubleshooting and energy loss.

With defined value propositions such as **Steam Trap Monitoring**, **Easiheat Service Remote Monitoring** and **Condensate Contamination Detection**, STS more than doubled customer digital connections to over 2,000 connected sites.

Our Digital and Services solutions are helping customers across a range of sectors translate insights into operational improvements:

USA healthcare

A network of private, non-profit hospitals moved from traditional point-in-time surveys to digitally enabled, continuous monitoring. By integrating automated **Steam Trap Monitoring**, they significantly expanded visibility of system performance for critical healthcare operations.

APAC tyre manufacturer

With limited in-house steam expertise, a major tyre producer adopted a digital optimisation approach following a **Steam Thermal Energy Audit**. Real time monitoring, including **Steam Trap Monitoring** and **Boiler Efficiency Monitoring**, enabled the customer to identify and address inefficiencies as they occurred. We have also developed a repeatable digital framework for deployment across their customer's global sites.

EMEA dairy manufacturer

For an existing customer, STS also piloted **Steam Trap Monitoring** solution, moving from yearly audits to continuous monitoring of critical traps to enable faster insight generation, more responsive operational improvement and greater efficiency savings.

>2,000

connected sites



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From reactive response to proactive planning...

...how WMFTS is driving digital value in Mining.

Platinum mining is defined by operational complexity and environmental pressures. Thickeners underflow pumps play a critical role in the 'flocculation' process, where flocculants (polymeric chemicals) are used to aggregate fine particles, speeding up settling to aid extraction. This process produces a high-density waste byproduct typically 40-70% by weight.

Bredel heavy-duty hose pumps, by Watson-Marlow Fluid Technology Solutions (WMFTS), operate hour-after-hour in the most demanding mining applications, handling abrasive sludge, paste and slurries, removing these byproducts to help deliver operational continuity. At the same time, they support environmental compliance, with waste being properly treated before reuse or discharge.

Every Bredel hose is precision made to ensure flow stability and pump performance in tough fluid handling applications, but when in constant use in mining operations, even the hardest working pump will need to be replaced.

For one platinum mining customer in South Africa, the anticipated need but unknown timeframe to replace these critical pumps was creating unplanned downtime, resulting in a reactive maintenance approach. With no visibility into failure patterns, the only solution was to keep replacement pumps on site to ensure downtime was minimised and avoid significant production losses.

To break this cycle, we deployed our **CONNECT Pump Insights Service**. By understanding customer needs and adapting our approach to one of proactive data capture over reactive product replacement, we identified patterns, helping the customer optimise pump operation and anticipate failures, allowing it to shift from emergency fixes to planned and preventative maintenance.

We set up a pilot, connecting the pumps to a digital dashboard accessed through **CONNECT**, a safe, secure and scalable IIoT solution that hosts modular, value-driven applications. Our customer now has access to real-time data and can continuously track its pump performance. The pilot quickly pinpointed configuration improvements to minimise excessive strain on the pump and hose. With this data our team was able to combine their technical expertise and process knowledge to support our customer in optimising operating conditions, increasing service intervals.

Through this pilot our customer gained visibility into pump health, laying the foundations for proactive maintenance and reduced downtime.

By understanding root causes and adapting to best support the customer in the long term, this digital approach has fostered a new customer-centric model that will generate enablement sales, as well as recurring annual 'software as a service' revenues, in addition to creating pull through opportunities for WMFTS.

"This pilot demonstrates how leveraging digital technologies can unlock deeper connections with our customers.

"The data and insights gathered through our connected pumps have helped us understand the challenges our customers face at a much deeper level. We're not just looking at the lifecycle of a pump but the unplanned nature of failures. For our customer, and others like it, it's about having the confidence to plan work and maintain operational continuity. That's the real value digital brings."

Matthew Thomas
Head of Connected Products







From assessment to impact...

...how we are identifying tangible thermal energy savings for a global drinks brand.

When an internationally recognised drinks producer, home to many iconic drinks brands wanted a partner to support delivery of its sustainability and efficiency targets across its global manufacturing footprint, it turned to Spirax Group.

Spirax Sarco, part of the Group's Steam Thermal Solutions (STS) Business, has been working with the customer for some time to optimise and manage its steam and condensate processes. Recognising the opportunity to support the customer at a broader system and plant level, STS called upon the wider capability of Spirax Group. Through our new customer offer, **Thermal Energy Solutions (TES)**, an important enabler of our Decarbonising Thermal Energy Growth Driver, we brought together complementary expertise in a cross-functional team, adding specialists from our Electric Thermal Solutions Business as well as our Digital and Services teams.

This ensured we had the right mix of steam and electric technical expertise, digital capability and local knowledge to identify opportunities from the customer's thermal energy systems in each plant and deliver consultative solutions. The team delivered four deep-dive **Thermal Energy Assessments (TEAs)** at the drinks brands' highest energy-consuming manufacturing sites, which are in Mexico, Jamaica and the USA.

Activities included utilities assessments, mass and energy balances and steam trap surveys. The assessments highlighted opportunities across the full spectrum of thermal energy optimisation, management and decarbonisation. One example is using local, electrically powered hot water generators and in-line heaters to take the load off the central gas-fired hot water boilers, reducing heat losses and inefficiencies associated with the water distribution around the plant.

Following each assessment, a tailored sustainability roadmap for each plant was produced. In addition to highlighting the recommended actions, the roadmap also provided economic and sustainability benefits data, together with the implementation costs and timelines for both short- and long-term improvements that can be tangibly delivered, including with support from Spirax Group's **TargetZero** and **PoweringZero** solutions.

Our TEAs have identified over 34 recommendations for process optimisation, maintenance cost savings and opportunities for electrification, all leveraging the expertise and technology available through Spirax Group, representing a pull-through opportunity of more than £1 million. If implemented, these project recommendations would deliver a projected annual energy saving of around £700,000 and a CO₂e reduction of more than 5,500 tonnes for the customer across its four sites.

Through leveraging our unique capabilities and combining our approach through our new TES offer, we have redefined our value and positioned ourselves as a trusted partner for both local and global support, deepening the relationship for years to come.

TEAs conducted across four sites identified

34

total project opportunities for Spirax Group, with a value of

>£1 million

5,500

tonnes projected CO₂e reduction from project opportunity implementation





From energy intensive to energy efficient...

...how ETS is embedding decarbonisation solutions into OEM design.

PoweringZero by Electric Thermal Solutions (ETS) is our electrification-led answer to one of industry's hardest challenges: how to decarbonise thermal energy at scale. By replacing the direct burning of fossil fuels with electric technologies, our **PoweringZero** solutions help customers significantly reduce or eliminate* their scopes 1 and 2 carbon emissions.

Around 12% of Group sales in 2025 were to Original Equipment Manufacturers (OEMs), which face growing pressure from their end customers to demonstrate measurable progress towards more sustainable production solutions. By offering machinery designed around low-carbon thermal processes, OEMs can respond to mounting end market expectations and unlock new commercial opportunities with customers actively investing in sustainable production.

Identifying such opportunities is a core focus of solution-selling within the Process Heating Division (Chromalox and Vulcanic brands) of ETS. A Chromalox sales team in France used their technical expertise and customer insight to identify a critical need for sustainable drying solutions in tissue

production within the Pulp & Paper sector that is traditionally reliant on carbon-intensive gas.

We proposed a pilot initiative to prove the capability of our **PoweringZero** heating solutions using our Low Voltage (LV) technology. This involved installing advanced electric air duct heaters, manufactured in Ogden, USA, to replace legacy, carbon-intensive systems.

Although the pilot was modest in scale, the technology application was new and complex. We provided hands-on commissioning support and were present throughout to resolve any technical challenges, building trust with our customer. This partnership approach demonstrated our care and flexibility, as well as our sector-specific insight and technical capabilities.

By mid-2025, the technology was proven and the customer placed an order. Not only has this pilot solved a critical customer challenge, it has also successfully translated into tangible commercial outcomes for ETS with our LV electric heater now integrated as an alternative to the OEM's standard design.

"OEMs play a major role in bringing our decarbonisation solutions to market. In addition to the commercial benefits, this project highlights the strategic importance of OEMs in our ability to support the decarbonisation journey of end customers worldwide.

"Together, we can address pain points in specific sectors or industries and collaborate to deliver the highest-possible value to our customers through unlocking substantial, scalable and sustainable impact."

Lukas Grech
Group Decarbonisation
Growth Lead

12%

of Group sales in 2025 were to OEMs

* When combined with access to green electricity.

Building on our strong foundations...

What sets us apart

Understanding customer needs so we can solve their problems has long been at the heart of our strong and differentiated 'Customer Solutions' business model. Since establishing our Vision in 2024, we have been on a journey to evolve our model to one of 'Customer Partnership' that enables us anticipate our customers' needs and meet these through the implementation of our **Together for Growth** Strategy.

What we do

Our products, solutions and expertise are critical to the operating efficiency, safety and sustainability of our customers' thermal energy and fluid technology processes.

How we create customer value

Our ~2,900* direct sales and service engineers serve our customers through building close, local relationships that focus on consultative solution-selling and pricing based on the customer's economics.



1 in 3

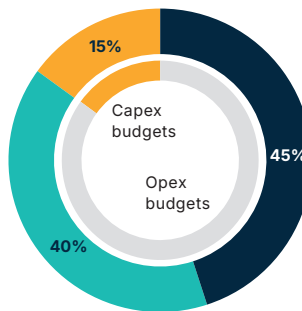
colleagues are in sales and service roles

* Includes technical application engineers and inside sales.

How we generate revenue

85% of Group revenue is generated from our customers' annual maintenance and local operating budgets with 40% of Group revenue generated from solution-sales.

Our average invoice size is circa £3k, so our local customer focus and relationships are key to our success.



- Maintenance and repair sales: typical invoice value £1.5k
- Solution-sales: typical invoice value £10-80k
- Large project solution-sales: typical invoice value >£100k

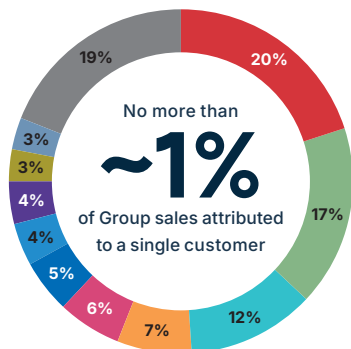
>100k
local customers and significant installed base

Where we focus

Niche applications across diverse sectors

60% of Group revenue is derived from defensive end markets. We target sectors where our solutions are mission-critical to our customers' processes and reflect the value we generate in our pricing.

- Food & Beverage 20%
- Pharmaceutical & Biotechnology 17%
- OEM Machinery 12%
- Oil & Gas 7%
- Chemicals 6%
- Power Generation 5%
- Healthcare 4%
- Semiconductor 4%
- Mining 3%
- Water & Wastewater 3%
- Other 19%



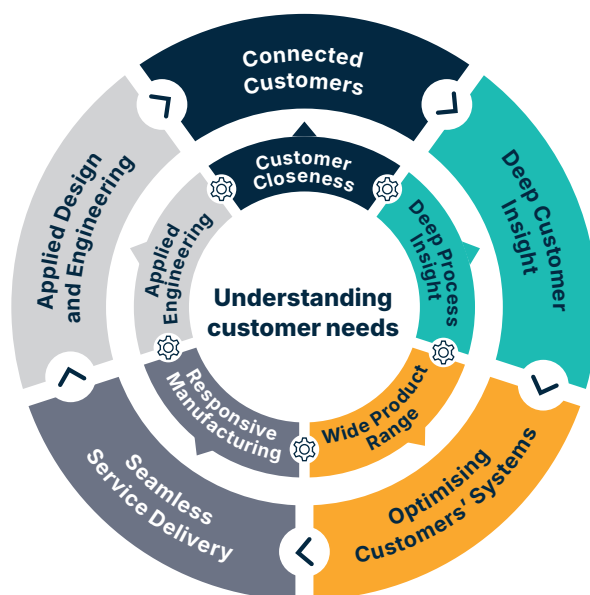
Global reach with a direct local presence

We have a global footprint with a direct presence in nearly 70 countries and an indirect presence in a further 100 countries. ~75% of Group sales are direct with ~25% delivered through channels. Our 2025 sales across our three geographic regions were as follows:

38% AMERICAS **44%** EMEA **18%** APAC



...as we adapt to evolve for the future



Our evolving sales model is how we are maintaining and building on our competitive advantage to drive growth.

We've made demonstrable progress on this journey

During 2025, we have continued to evolve our sales model, making clear progress as we move from a focus on Customer Solutions to one of Customer Partnership, maintaining and building on what sets us apart, to create even more customer value and drive growth today and for the long term.

Connected Customers

Our local direct sales presence underpins our close customer relationships. Through being even more highly connected with customers, both physically and digitally, we will move from point-in-time sales to more frequent and even continuous engagement.

How we are making progress

We launched **CONNECT**, our proprietary IIoT platform, with applications that help customers better understand the performance of their critical processes by accessing real-time operational data, insights, predictive analytics and sustainability metrics.

[+ Read more on page 26](#)

Deep Customer Insight

Our deep process insight and technical expertise deliver solutions that enhance our customers' efficiency, safety and sustainability. Through digitally led, data-driven insights we will deepen our understanding of customers' specific and critical needs to serve them better.

How we are making progress

We are investing in Digital and Services to strengthen customer value creation and generate new avenues of sustainable growth. One customer, a network of private hospitals, has improved its thermal energy management reliability and resilience through tripling the number of digitally connected steam traps providing real-time performance visibility delivered by our Steam Trap Monitoring solution.

[+ Read more on page 24](#)

Optimising Customers' Systems

Our wide product range underpins our tailored approach to improving the efficiency of customers' discrete processes. Through an expanded and holistic understanding of our customers' needs, across multiple processes, we will elevate our optimisation solutions to system and plant level.

How we are making progress

We developed our integrated thermal energy assessment operating model and go-to-market strategy that combines our steam and electric thermal expertise in holistic plant assessments, delivering energy efficiency and sustainability roadmaps. During the year we completed multi-site assessments identifying cost savings and carbon emissions reductions for a leading global drinks brand.

[+ Read more on page 29](#)

Seamless Service Delivery

Our customers rely on our ability to react quickly to their needs and maintain their critical production processes. Through deeper insights and continuous engagement, we will proactively identify their needs, delivering a more seamless service and building enduring partnerships.

How we are making progress

We have made changes to deliver a smoother, more connected service at every stage of the customer journey. A sharper sector focus, streamlined regional structures and closer collaboration between sales and manufacturing are creating a more seamless end-to-end customer experience.

[+ Read more on page 18](#)

Applied Design and Engineering

Our applied engineering skills are critical to solving customers' problems. Through building on our design engineering capability we will deliver the more bespoke solutions that our customers will require in the future.

How we are making progress

We are driving value for customers in numerous different ways through our design engineering capabilities, especially in ETS, where we are meeting strong demand for bespoke heaters. During the year, a cross-functional ETS team developed a custom temperature control solution for a datacentre focused OEM customer, enabling shipment at scale within the year.

[+ Read more on page 54](#)

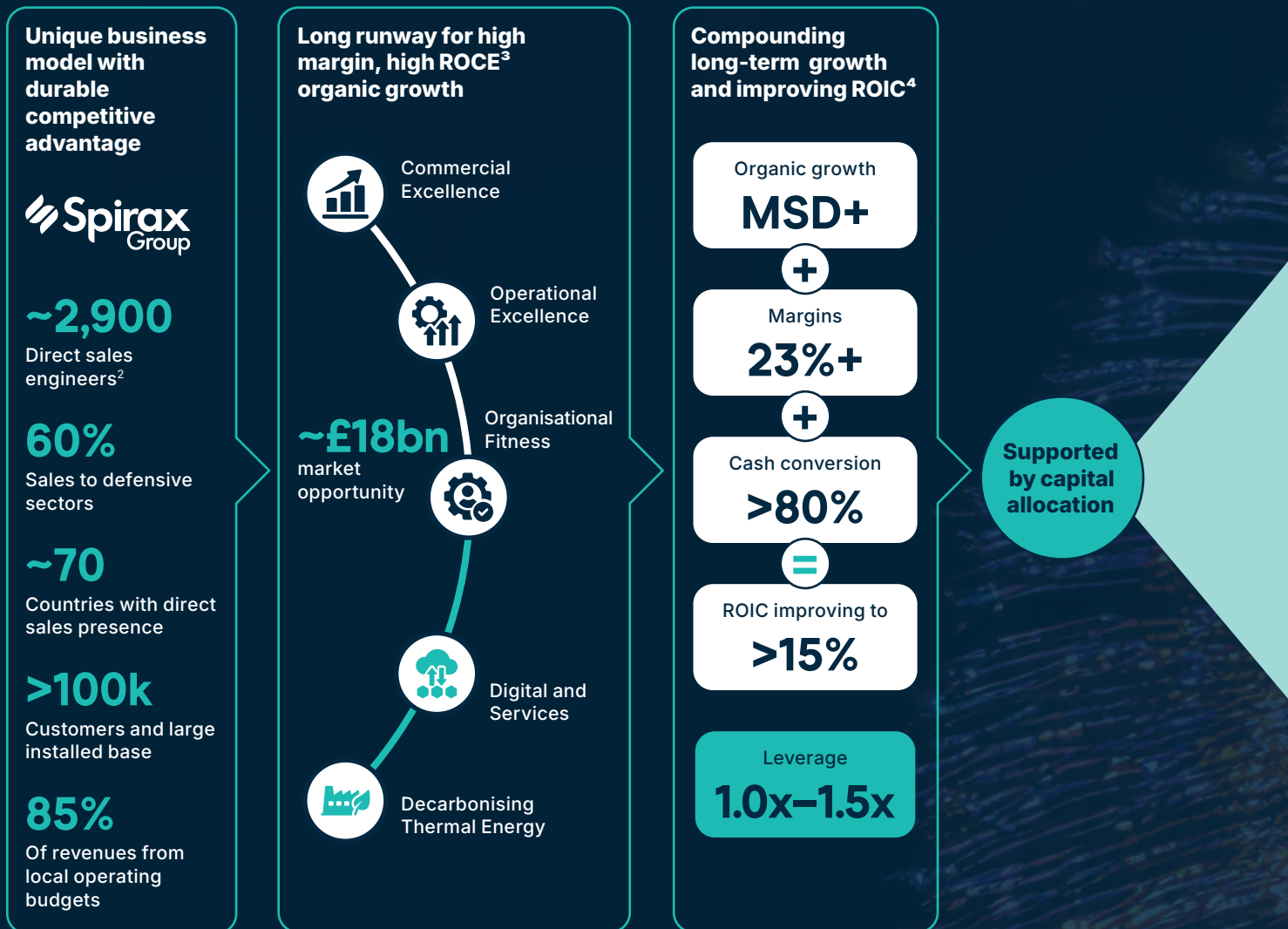
Long-duration compounding growth

Building on our performance through **Together for Growth...**

Our unique business model comprising three powerful engines of growth, each with durable competitive advantage, is foundational to our long track record of:

- Mid-single-digit organic sales growth at close to 2xIP¹
- Mid-to-high-single-digit organic profit growth
- Strong Earnings Per Share (EPS) growth

Our **Together for Growth** Strategy builds upon this to drive compounding organic growth and improving returns on capital by focusing on operational priorities that will support the delivery of our medium-term targets and generate funding for targeted investments that evolve our capabilities to capture the significant opportunities we see in Digital and Services and Decarbonising Thermal Energy.



1. 'IP': Industrial Production growth (February 2026).

2. Includes technical application engineers and inside sales.

3. Return on capital employed (ROCE) measures effective management of fixed assets and working capital relative to the profitability of the Group. It is calculated as adjusted operating profit divided by average capital employed.

4. Return on invested capital (ROIC) measures the post-tax return on the total capital invested in the Group.

...to deliver strong shareholder returns through compounding growth

Our capital allocation framework sets out how we deploy the Group's financial resources to deliver strong total shareholder returns.

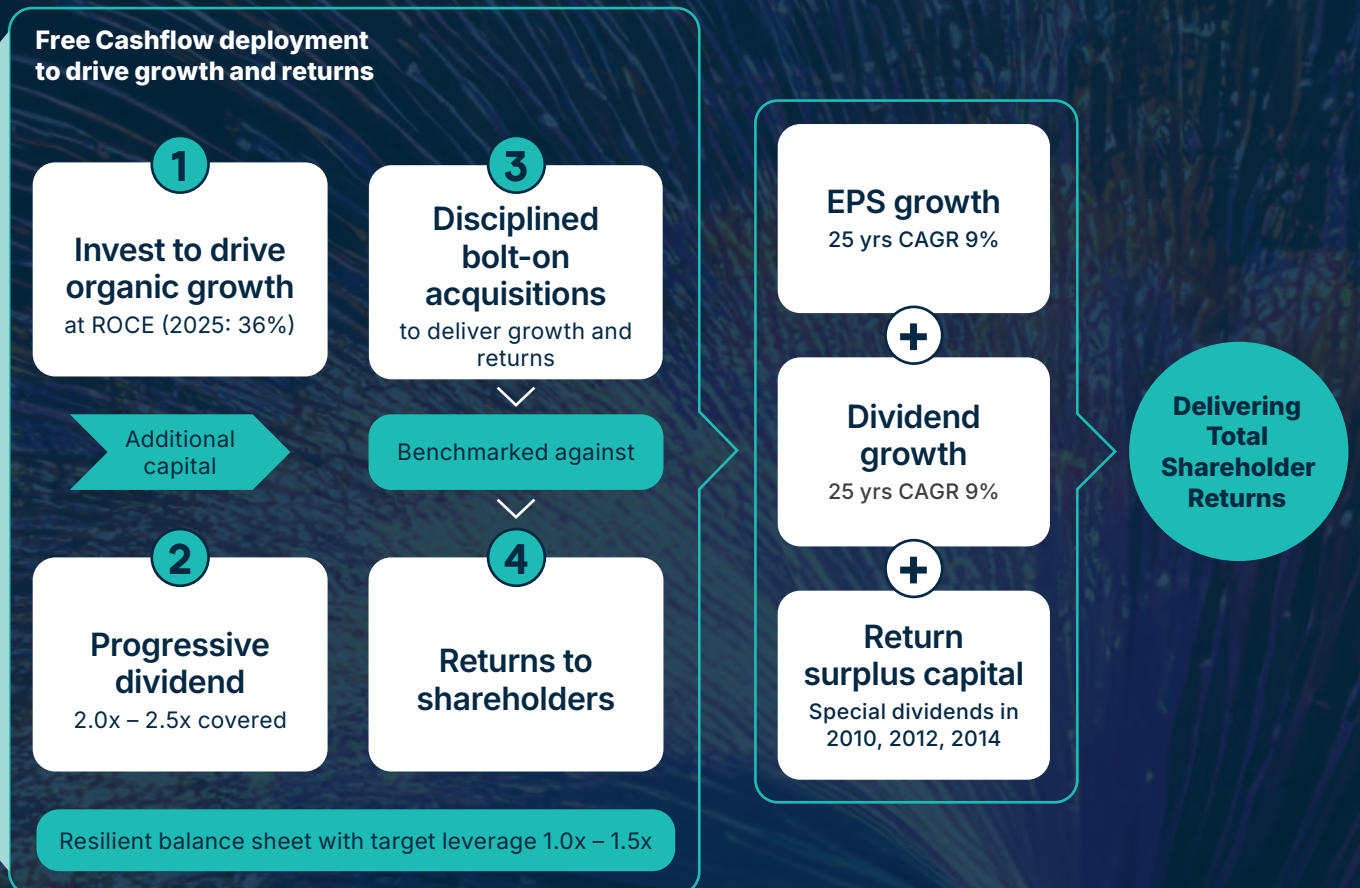
We have a clear hierarchy for the uses of capital aligned with our **Together for Growth** Strategy.

First, we will continue to invest in organic opportunities to strengthen our competitive position, enhance margins and generate high returns on capital employed (2025 ROCE: 36.0%).

Second, we will maintain our long track record of dividend progress (58 years), supported by our high margin, low capital intensity business model and corresponding high cash conversion (2025: 89%).

Third, we will maintain a resilient balance sheet targeting a leverage range of 1.0x to 1.5x net debt to EBITDA¹ (2025: 1.5x), recognising that we may temporarily move above the upper end as we invest through economic cycles.

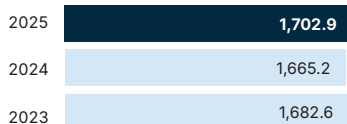
We will apply a risk adjusted approach to assessing our options for the uses of additional capital to enhance earnings growth and return on invested capital (2025 ROIC: 13.1%). These may include bolt-on acquisitions (benchmarked against alternative uses of capital) or additional returns of capital to shareholders.



1. Net debt to earnings before interest, tax, depreciation and amortisation (EBITDA) is calculated by adding back depreciation and amortisation of owned property, plant and equipment, software and development costs to adjusted operating profit

Our performance in 2025

Revenue £m £1,702.9m



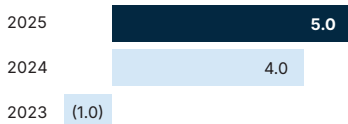
Definition

Total amount of sales generated by the Group's operations.

Progress in 2025

On a reported basis, revenue decreased by 2% in Steam Thermal Solutions, grew by 9% in Electric Thermal Solutions and increased by 4% in Watson-Marlow Fluid Technology Solutions.

Organic revenue growth[†] % 5.0%



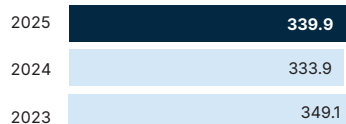
Definition

Organic revenue growth measures the change in revenue in the current year compared with the prior year from continuing Group operations. The effects of currency movements, acquisitions and disposals have been removed.

Progress in 2025

Sales grew by 1% organically in Steam Thermal Solutions, by 11% in Electric Thermal Solutions and by 6% organically in Watson-Marlow Fluid Technology Solutions.

Adjusted operating profit* £m £339.9m



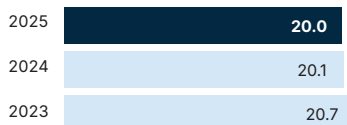
Definition

Adjusted operating profit is the profit earned from our business operations before interest, taxes, the share of profit of associate companies and certain other items. These adjusting items are disclosed in the Appendix to the Consolidated Financial Statements.

Progress in 2025

Adjusted operating profit grew by 2% on a reported basis; however, stripping out a currency headwind of 4%, it grew by 6% on an organic basis.

Adjusted operating profit margin* % 20.0%



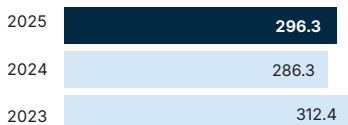
Definition

Adjusted operating profit margin is defined as adjusted operating profit expressed as a percentage of revenue.

Progress in 2025

Adjusted operating profit margin decreased by 10bps to 20.0%. On an organic basis, the adjusted operating profit margin grew by 30bps.

Adjusted earnings per share* p 296.3p



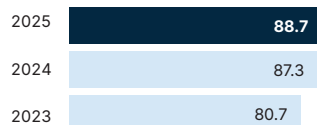
Definition

Adjusted EPS is defined as the adjusted after-tax profit attributable to equity shareholders divided by the weighted average number of shares in issue.

Progress in 2025

Adjusted EPS grew by 3% to 296.3 pence, in line with the increase in adjusted operating profit.

Cash conversion* % 88.7%



Definition

Cash conversion is calculated using adjusted cash from operations as a percentage of adjusted operating profit.

Progress in 2025

Cash conversion increased to 88.7% driven by higher adjusted operating profit and lower net capital expenditure.

+ KPI Key Performance Indicators used to assess progress against our **Together for Growth** Strategy. Read more about our progress on pages 12 to 81.

+ Risk See our Principal Risks on pages 87 to 91 in our Risk Management section

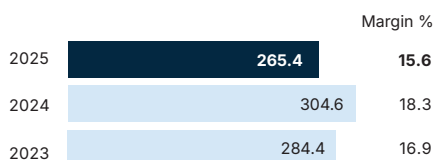
+ REM For more information about Remuneration, see pages 132 to 153

* Adjusted measures exclude certain items as set out and explained in the Group Chief Financial Officer's Review and in the Appendix to the Consolidated Financial Statements.

† Organic growth is at constant currency and excludes contributions from acquisitions and disposals. For a full definition, see the Appendix to the Consolidated Financial Statements.

Statutory operating profit £m

£265.4m



Definition

Statutory operating profit is the profit earned from our business operations before interest, taxes and the share of profit of associate companies.

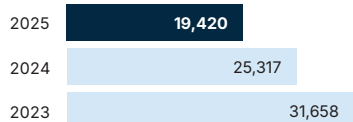
Progress in 2025

Statutory profit decreased by 16% in Steam Thermal Solutions and by 12% in Electric Thermal Solutions. It grew by 7% in Watson-Marlow Fluid Technology Solutions.

Group GHG emissions (scopes 1 and 2)

tonnes CO₂e (market-based)

19,420



Definition

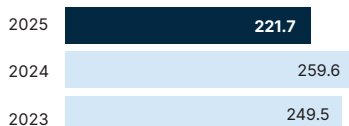
Scope 1 greenhouse gas (GHG) emissions: direct emissions from Company-owned or controlled sources (e.g. vehicles, fuel combustion). Scope 2 market-based GHG emissions: indirect emissions from purchased electricity, considering contractual and supplier-specific emissions factors.

Progress in 2025

GHG (scopes 1 and 2) decreased by 23% compared to 2024 and by 63% against our 2019 baseline, exceeding our 2025 target. This was achieved through a combination of energy efficiency, decarbonisation initiatives and a transition to renewable electricity.

Statutory earnings per share p

221.7p



Definition

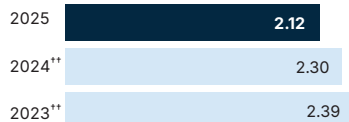
Statutory EPS is defined as the statutory after-tax profit attributable to equity shareholders divided by the weighted average number of shares in issue.

Progress in 2025

Statutory EPS decreased by 15% to 221.7 pence, in line with the decrease in statutory operating profit.

All-workplace Injury Rate[#]

2.12



Definition

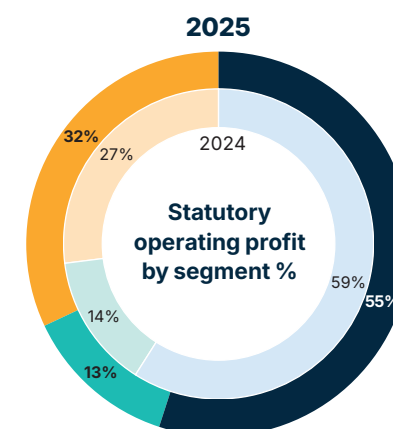
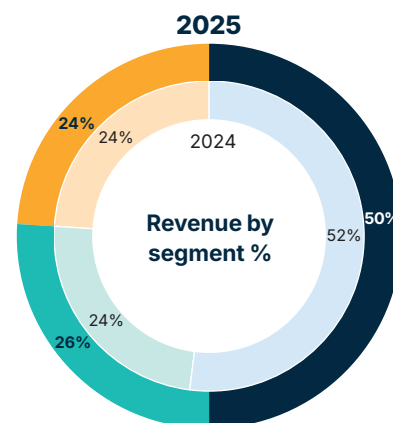
The number of workplace injuries per 100,000 hours worked. The workplace is any location in which an employee is present as a requirement of employment. Employees include all permanent and temporary staff and contractors. All injuries are any that occur in workplaces regardless of cause and result in first aid treatment and above.

Progress in 2025

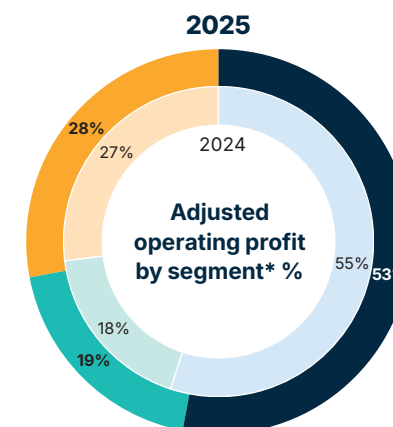
Our All-workplace Injury Rate[#] decreased by 8% during 2025. Whilst it is encouraging that our All-workplace Injury Rate is declining, our Serious Injury Rate[^] has increased from 0.02 to 0.03. Each case has been thoroughly investigated and the lessons learned were shared across the entire Group to help prevent future incidents.

Segmental performance in 2025

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



Before corporate expenses of £39.7 million (2024: £30.7 million).



Before corporate expenses of £38.7 million (2024: £33.9 million).

+ **KPI** Key Performance Indicators used to assess progress against our **Together for Growth** Strategy. Read more about our progress on pages 12 to 81.

+ **Risk** See our Principal Risks on pages 87 to 91 in our Risk Management section

+ **REM** For more information about Remuneration, see pages 132 to 153

Per 100,000 hours worked/First aid treatment required and above.

^ As specified using the UK RIDDOR Regulations definition.

** Minor adjustment following audits by Group EHS (from 2.37 in 2023 and 2.31 in 2024).

+ Read more about our progress on pages 46 to 58

On track to meet our medium-term targets



Group sales were 2% higher compared to 2024, including a currency headwind of 3%. On an organic basis sales were 5% higher, driven by growth in all three Businesses: STS 1%, ETS 11% and WMFTS 6%. Group adjusted operating profit was 2% higher compared to 2024, including a currency headwind of 4% and 6% higher organically. All three Businesses delivered organic growth in adjusted operating profit with STS growing by 3%, ETS by 12% and WMFTS by 13%.

Group adjusted operating profit margin of 20.0% was 30bps higher organically compared to 2024, benefiting from organic sales growth and some savings from the Group's restructuring exercise, partially offset by investment in long-term growth opportunities, notably Digital and Services. STS margin was 40bps higher organically compared to 2024, with ETS margin 20bps higher and WMFTS margin 160bps higher.

Financial Performance

£m	FY 2024	Exchange	Organic	FY 2025	Organic	Reported
Revenue	1,665.2	(36.5)	74.2	1,702.9	5%	2%
Adjusted operating profit	333.9	(14.4)	20.4	339.9	6%	2%
Adjusted operating profit margin	20.1%			20.0%	30bps	(10)bps
Adjusted basic EPS (pence)	286.3			296.3		3%
Statutory operating profit	304.6			265.4		(13)%
Statutory operating profit margin	18.3%			15.6%		(270)bps
Basic EPS (pence)	259.6			221.7		(15)%

Group statutory operating profit was 13% lower than in 2024 at £265.4 million, with statutory operating profit margin 270bps lower at 15.6%, driven by one-off restructuring charges in the current period compared to a number of one-off credits presented as adjusting items in the prior year. The reconciling items between adjusted operating profit of £339.9 million and statutory operating profit of £265.4 million are shown below:

- A charge of £34.6 million (2024: £34.1 million) for the amortisation of acquired intangibles
- A restructuring charge of £39.9 million to simplify the Group's organisation and optimise certain elements of our manufacturing footprint. £2.9 million of this charge related to the impairment of non-current assets as a result of the restructuring and £3.6 million to the write-off of certain current assets

Tax and interest

Net financing expense was lower than in the prior year at £38.3 million (2024: £43.7 million) as a result of lower average net debt, lower rates on floating rate debt and the positive impact of cash centralisation initiatives. We do not expect a material change to net finance expense in 2026.

The Group effective tax rate reflects the blended average of rates in tax jurisdictions around the world in which the Group operates. On a statutory basis, the Group effective tax rate was 27.8% (2024: 26.1%). The Group adjusted effective tax rate was 80bps higher at 27.3%, (2024: 26.5%), due to non-repeating investment incentives claimed in 2024. For 2026, the Group's adjusted effective tax rate is expected to be similar to 2025.

Earnings per share and dividends

Adjusted earnings per share were 3% higher than in the prior year at 296.3 pence, consistent with the increase in adjusted operating profit and lower net financing costs, partially offset by an increase in the effective tax rate. Statutory basic earnings per share were 15% lower at 221.7 pence (2024: 259.6 pence). Statutory fully diluted earnings per share were not materially different to statutory basic earnings per share in either year.

The Board is proposing a final dividend of 121.1 pence per share for 2025 (2024: 117.5 pence) payable on 22 May 2026 to shareholders on the register at 24 April 2026. Together with the interim dividend of 48.9 pence per share (2024: 47.5 pence), the total dividend for the year is 170.0 pence per share, an increase of 3% on the total dividend of 165.0 pence per share in 2024, reflecting confidence in a return to higher levels of growth and margins. The total amount of dividends paid in the year was £122.8 million, 3% above the £119.3 million paid in 2024.

The Group has a progressive dividend policy, the aim of which is to provide sustainable dividend growth that reflects actual and forecast underlying trading performance as well as cash generation after taking into account future capital requirements. The Group's target range for dividend cover is 2.0x to 2.5x.

Currency movements

The Group's Income Statement and Statement of Financial Position are exposed to movements in a wide range of different currencies. The largest individual currency exposures are to the euro, US dollar, Chinese renminbi and Korean won. While the Group's businesses in Argentina are immaterial to the consolidated financial results, the volatility in the Argentinian peso has had a negative impact on reported financial performance.

Currency movements on translation negatively impacted Group sales by 3%. The currency impact on adjusted operating profit was adverse by 4% due to translational and transactional impacts of £10.1 million and £4.4 million respectively. The translation downside reflects the impact of the strengthening of sterling in 2025 against the currencies in which the Group operates. The main transactional exposure flow affecting the Group is the export of products from factories in the UK, invoiced in sterling, less the import of goods from overseas Group factories and third parties which are predominately priced in euros and US dollars. The net exposure to transactional currency movements is approximately £150 million.

If February exchange rates were to prevail for the remainder of 2026, there would be a headwind impact on 2025 sales and 2025 adjusted operating profit of approximately 2% and 3% respectively.

Adjusted cash flow and net debt

	2025 £m	2024 £m
Adjusted cash flow		
Adjusted operating profit	339.9	333.9
Depreciation and amortisation (excl. leased assets)	44.9	42.5
Depreciation of leased assets	18.7	17.6
Contributions to pension schemes	(7.1)	(6.4)
Equity settled share plans	6.4	3.1
Working capital changes	(18.6)	1.0
Repayments of principal under lease liabilities	(18.0)	(16.6)
Capital expenditure (including software and development)	(64.7)	(83.6)
Adjusted cash from operations	301.5	291.5
Net interest	(36.6)	(41.8)
Income taxes paid	(65.9)	(76.5)
Adjusted Free cash flow	199.0	173.2
Net dividends paid	(122.8)	(119.3)
Proceeds from transactions in own shares	0.3	1.9
(Acquisitions)/Disposals of subsidiaries/associates	(10.6)	5.3
Restructuring costs	(22.1)	(2.4)
Cash flow for the year	43.8	58.7
Exchange movements	(12.3)	11.8
Opening net debt	(596.2)	(666.7)
Net debt at 31 December	(564.7)	(596.2)
Lease liability	(90.2)	(95.1)
Net debt and lease liability at 31 December	(654.9)	(691.3)

Adjusted cash flow and net debt continued

There was a working capital outflow in the year, with the ratio of working capital to sales decreasing by 10bps to 21.8% (2024: 21.9%). Net capital expenditure in the year of £64.7 million (2024: £83.6 million), at 4% of sales, was in line with the expectation set at half year. For 2026, we expect net capital expenditure to be in the range of 4% to 5% of sales.

Adjusted cash from operations of £301.5 million (2024: £291.5 million) was £10.0 million higher, resulting in an improved adjusted cash conversion of 89% (2024: 87%). The improvement in cash conversion was driven by higher adjusted operating profit and lower net capital expenditure, partially offset by higher working capital. Adjusted free cash flow of £199.0 million (2024: £173.2 million) has increased by 15% driven by improved adjusted cash from operations, as well as a reduction of interest and taxes paid in the year. The lower interest payment reflects lower average levels of debt during the year. Taxes paid in the year have decreased by 14% due to one-off tax repayments and tax incentive credits.

Financing and liquidity

Net debt (excluding leases) at 31 December 2025 was £564.7 million (2024: £596.2 million), with a net debt to EBITDA ratio of 1.5x (2024: 1.6x).

As at 31 December 2025, total committed and undrawn debt facilities amounted to £400.0 million, representing a fully undrawn Revolving Credit Facility, in addition to a net cash balance of £239.7 million (2024: £233.9 million).

The Group maintains a resilient balance sheet with a target leverage range of 1.0x to 1.5x net debt to EBITDA, while retaining flexibility to exceed the upper end of the range temporarily to take advantage of investment and acquisition opportunities.

Return on capital employed (ROCE)

ROCE was 50bps higher at 36.0% (2024: 35.5%). Excluding the impact of leases, ROCE increased by 30bps to 39.5% (2024: 39.2%), driven by the increased adjusted operating profit. The definition and analysis of ROCE is included in the Appendix to the Consolidated Financial Statements.

Return on invested capital (ROIC)

ROIC was 30bps higher at 13.1% (2024: 12.8%). Excluding the impact of leases, ROIC increased by 20bps to 13.6% (2024: 13.4%), partly driven by the increase in adjusted operating profit after tax and a lower level of invested capital with acquired intangibles amortising.

Delivery of the Group's medium-term organic growth and adjusted operating margin targets, combined with continued strong cash conversion, is expected to result in ROIC progression to over 15%.

The definition and analysis of ROIC is included in the Appendix to the Consolidated Financial Statements on page 210.

Fundamentals of financial resilience

The more volatile and uncertain economic environment continued to be challenging in 2025 with global industrial production (IP) growth of 2.1% (1.7%, excluding China), with particular challenges in North America (0.8%) and Europe (0.8%). As expected, trading conditions in China reflected reduced expenditure on large projects. In Korea, political instability early in the year led to capital investment decisions being temporarily deferred. Despite this challenging backdrop the financial results reflect the relative resilience of the business model, with all Businesses delivering organic sales growth. The Group continued to focus on organic growth supported by its unique direct sales model and continued to invest in key strategic initiatives that will drive future growth including supporting decarbonisation solutions and building additional digital capability. The Group's long-standing track record of increasing returns to shareholders has continued with a proposed year-on-year increase in the ordinary dividend of 3%.

The Group's products and solutions continue to support critical industrial processes across a broad range of industries and geographical markets. As in previous years, the Group outperformed global IP due to its ability to self-generate sales (accounting for 40% of sales) and a significant base business in maintenance and repair sales (accounting for 45% of sales). These sales are funded from customers' local operating budgets. The remaining 15% of sales are related to large projects, funded from customers' capital expenditure budgets, which are more heavily influenced by economic cycles. Approximately 60% of sales are to defensive, less cyclical sectors and no single customer accounts for more than ~1% of Group sales.

Resilience over the short, medium and long term

The Group's business model, continued investments to support future growth and strong cash conversion position it well to adapt to economic cycles. The Going Concern and viability analysis provides confidence in the robust nature of both the business and capital structure, even when analysed under a number of potential downside scenarios.

The Group has undertaken scenario-based modelling of the key risks identified that could impact the business, the results of which underpin confidence in the short and medium-term resilience of the Group. The continued implementation of the strategy supports longer-term resilience and the Group continues to closely monitor and respond to the changing external economic, environmental and social factors that will impact the markets in which the Group operates in the future.

Going Concern Statement

When managing liquidity, the Group's principal objective is to safeguard the ability to continue as a Going Concern for at least 12 months from the date of signing the 2025 Annual Report. The Group retains sufficient resources to remain in compliance with all the required terms and conditions within its borrowing facilities with material headroom. No material uncertainties have been identified. The Group continues to conduct ongoing risk assessments with its business operations and on its liquidity. Consideration has also been given to the factors that might cause the Group to require additional liquidity and to form a view as to the probability of these occurring.

The Group's financial position remains robust, with the next maturity of its committed debt facilities being €120 million in US Private Placement Notes which mature in May 2026 and a €90 million Bank Term Loan that matures in August 2026. The Group's debt facilities contain a leverage covenant of up to 3.5x. Certain debt facilities also contain an interest cover covenant of a minimum of 3.0x. The Group regularly monitors its financial position to ensure that it remains within the terms of these covenants. At 31 December 2025 leverage (defined as net debt divided by adjusted earnings before interest, tax, depreciation and amortisation) was 1.5x (31 December 2024: 1.6x) and interest cover (defined as adjusted earnings before interest, tax, depreciation and amortisation divided by net bank interest) was 12x at 31 December 2025 (31 December 2024: 10x).

'Reverse stress testing' was performed to assess the level of business under performance that would be required for a breach of the financial covenants to occur, the results of these tests evidenced that no reasonably possible change in future forecast cash flows would cause a breach of these covenants. The 'reverse stress test' cash flow modelling does not consider any mitigating actions that the Group would implement in the event of a severe and extended revenue and profitability decline. Such actions would serve to further increase covenant headroom.

Having assessed the relevant business risks (as outlined on pages 87 to 91); the potential impact of any climate change-related risks (as outlined within the Task Force on Climate-related Financial Disclosures section on pages 92 to 100); and the liquidity and covenant headroom available under several alternative scenarios (as set out in the viability assessment below), the Directors consider it appropriate to continue to adopt the Going Concern basis in preparing the Consolidated Financial Statements.

Assessment of prospects and viability

The Board assessed the prospects for the Group through its annual strategic and five-year financial planning process in June 2025. In conjunction, it considered the Group's current financial position, **Together for Growth** Strategy, the Board's risk appetite and the potential impact of the Principal Risks are listed on pages 87 to 91.

The Board has adopted a five-year viability assessment period, which it believes to be appropriate as this timeframe is covered by the Group's forecasts; considers the nature of the Group's Principal Risks, a number of which are external and have the potential to impact over short time periods; and is in alignment with the Group's principal committed financing facility duration. While the Board has no reason to believe that the Group will not be viable over a longer period, given the inherent uncertainty involved over more extended time periods, the Board believes that a five-year period provides a reasonable degree of confidence while still providing a longer-term perspective.

In making its assessment, the Board completed a robust assessment, supported by detailed cash flow modelling, of the Principal Risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. In addition to completing an impact assessment of the Principal Risks, the Board considered the probability of the occurrence of the risks, the Group's ability to safeguard against them and the effectiveness of mitigating actions. In each modelled scenario the Group is able to demonstrate that it continues to remain viable. The scenarios modelled in this process are as follows.

Assessment of prospects and viability continued

Scenarios Modelled

Scenario 1: Revenue Fall

The Group's operations are subjected to a material and unexpected reduction in demand due to a crisis occurring in a significant geographical area for the Group. The crisis results in the nationalisation of the Group's operations in this area.

Assumptions:

- **Sales:** immediate loss of revenue from the operating companies in this area. Global IP declines by 8% (in line with 2009 financial crisis), driving a decline in Group Revenue in FY 2026, with recovery back to base case from FY 2028 to FY 2030
- **Margin:** immediate loss of profit from the operating companies in the affected geographical area

Scenario 2: Exceptional Charge

The Group breaches Anti-Bribery and Corruption (ABC) regulations and is subjected to an immediate regulatory fine. As a result, the Group's reputation is impaired causing an immediate reduction in sales.

Assumptions:

- **Sales:** non-delivery of sales growth from the 2026 Plan due to reputational damage, resulting in a lost year of growth. Recovery in line with our medium-term plan (MTP) projections from 2027 onwards
- **Margin:** regulatory fine equal to 10% of 2025 Group Trading Profit levied immediately

Scenario 3: Cyberattack

A cyberattack utilising ransomware occurs and succeeds in paralysing Spirax Group systems, including ageing ERP platforms that are utilised to provide data insights to respond to customer demands, resulting in an inability to trade.

Assumptions:

- **Sales:** mid-single digit percentage of Group Sales are permanently lost in 2026 due to an inability to trade. Recovery in line with MTP projections from 2027 onwards.
- **Margin:** additional investment in cybersecurity is made over years 2 to 5

Scenario 4: Acquisition Failure

The four ETS brands (Chromalox, Thermocoax, Vulcanic and Durex) materially underperform their business plan. This leads to poor results and ultimately the disposal of the ETS Business.

Assumptions:

- **Sales:** ETS sales decline significantly from 2025 results over the scenario period
- **Cost:** ETS goodwill fully impaired in 2026. ETS disposed of at a multiple of 8x EBITDA during 2030

Links to Principal Risks

Risk 1: Economic and political instability

Risk 4: Loss of manufacturing output at any Group factory

Risk 6: Inability to identify or respond to changes in customer needs: digital/non-digital

Risk 7: Breach of legal and regulatory requirements (including ABC laws)

Risk 2: Ageing Enterprise Systems

Risk 3: Cybersecurity

Risk 6: Inability to identify or respond to changes in customer needs: digital/non-digital

Risk 5: Failure to realise acquisition objectives

Whilst linked to the Group's Principal Risks, the scenarios modelled are hypothetical and designed to test the ability of the Group to withstand such severe outcomes. In practice, the Group has an established series of risk control measures in place that are designed to both prevent and mitigate the impact of such risks. The results of the stress testing undertaken illustrate that the Group would be able to absorb the impact of the scenarios considered should they occur within the assessment time period. In all the scenarios considered the Group remains within its debt covenants.

Viability Statement

Based on the outcomes of the scenarios and considering the Group's financial position, strategic plans and Principal Risks, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment. The Directors' statement regarding the adoption of the Going Concern basis for the preparation of the Financial Statements can be found on page 41.

Long-term resilience

The Group has a long track record, over 130 years, of consistently adapting to changing macroeconomic, environmental and social factors supported by the business model. While the strategy and business model lessen any material impact from the Principal Risks, the Group nevertheless continuously reviews markets, listens to customers and adapts solutions, while working responsibly and in line with the Group's Values to build long-term sustainability.

The Group has a highly resilient business and strategy that will remain relevant across different climate-related scenarios.

We recognise the need to anticipate and mitigate the impact of climate-related change. In 2021 we launched our **One Planet: Engineering with Purpose** Sustainability Strategy covered in more detail on pages 60 and 61. Although not classed as a Principal Risk for the Group, the TCFD disclosures on pages 92 to 100 detail the anticipated impact of climate change-related change on the Group's longer-term resilience.

The commitment to net zero targets will have a profound effect on industrial activity over the coming decades and is an additional source of growth for our Group over at least the next 30 years. To address the opportunities arising from the decarbonisation of industrial processes, we have invested significantly in the development of sustainable products and solutions that help customers meet their own sustainability goals.

Outlook

Market environment

The global macroeconomic environment remains highly uncertain with conflict in the Middle East and evolving trade tariffs impacting the outlook for global IP, which is an important driver of demand across our three Businesses. CHR's February forecast for global IP in 2026 is currently 2.1% both including and excluding China and again, is second half weighted. As in prior years, we remain cautious on the IP outlook and have adopted more conservative assumptions in our planning.

Exchange rates

The organic growth guidance below, is based upon 2025 results as restated for the impact of the latest exchange rates in 2026. If February exchange rates were to prevail through the remainder of the year, there would be an adverse impact on 2025 sales of approximately 2% to £1,669 million and on adjusted operating profit of approximately 3% to £330 million, with adjusted operating profit margin at 19.8%.

2026 guidance

We anticipate mid-single-digit organic growth in Group revenues, well ahead of IP. While the Middle East represents only 1% of Group revenue, there is potential for some disruption to supply chains reliant upon transport through the region. We currently anticipate this impact to be largely in the first half of the year.

Group adjusted operating profit margin is expected to increase further on an organic basis over the currency adjusted 2025 margin of 19.8%, with operating leverage driving growth in adjusted operating profit ahead of the organic growth in revenues.

We expect STS to deliver low-single-digit organic sales growth, higher than in 2025, with growth outside China well ahead of IP and trading in China continuing to improve. We expect a slight improvement in STS margin organically, supported by operating leverage and full year restructuring benefits, partly offset by ongoing investment in future growth.

In ETS, we anticipate high-single-digit organic sales growth supported by a strong orderbook (including the benefit of the large contract win in 2025); increased manufacturing throughput from operational improvements; and continuing demand strength in our key end markets. We anticipate that operating leverage from organic growth and a greater proportion of higher-margin Semicon sales, partly offset by the initial running costs of the new MV facility in Ogden, will support strong organic margin progress. As expected, the majority of legacy orders in our Ogden order book were shipped by the end of 2025 with the remaining few orders to be delivered early in 2026 at the request of customers. This has removed a key headwind that affected margin progress in 2025.

In WMFTS, we anticipate high-single-digit organic sales growth, supported by continuing recovery in Biopharm demand and Process Industries again outperforming IP, with operating leverage supporting organic margin progress broadly similar to that delivered in 2025.

We expect corporate costs to be slightly higher than 2025, reflecting increased investment in future growth, such as Digital and Services. Excluding such investments, the remaining corporate costs are expected to grow broadly in line with inflation.

We anticipate net financing costs, effective tax rate and cash conversion to be similar to 2025 levels.

Louisa Burdett

Group Chief Financial Officer
9 March 2026

Ten-year financial summary

	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m	2025 £m
Revenue	757.4	998.7	1,153.3	1,242.4	1,193.4	1,344.5	1,610.6	1,682.6	1,665.2	1,702.9
Operating profit	174.1	198.9	299.1	245.0	249.0	320.9	318.8	284.4	304.6	265.4
Adjusted operating profit*	180.6	235.5	264.9	282.7	270.4	340.3	380.2	349.1	333.9	339.9
Adjusted operating profit margin*	23.8%	23.6%	23.0%	22.8%	22.7%	25.3%	23.6%	20.7%	20.1%	20.0%
Profit before taxation	171.4	192.5	288.8	236.8	240.1	314.5	308.1	244.5	258.9	226.5
Adjusted profit before taxation*	177.9	229.1	254.6	274.5	261.5	333.9	370.6	309.2	288.2	301.0
Profit after taxation	121.3	157.9	223.4	167.0	173.9	234.9	225.0	184.0	191.4	163.6
Adjusted cash from operations	185.0	203.8	242.9	238.1	275.8	279.0	214.9	281.7	291.5	301.5
Cash conversion	102.4%	86.5%	91.7%	84.2%	102.0%	82.0%	56.5%	80.7%	87.3%	88.7%
Capital expenditure to sales ^{††}	5.7%	3.8%	3.8%	5.0%	4.2%	4.8%	7.3%	6.3%	5.6%	4.0%
Basic earnings per share	165.0p	214.4p	303.1p	226.2p	235.5p	318.3p	305.1p	249.5p	259.6p	221.7p
Adjusted earnings per share*	171.5p	220.5p	250.0p	265.7p	256.6p	338.9p	377.2p	312.4p	286.3p	296.3p
Dividends in respect of the year	55.8	64.4	73.6	81.1	87.0	100.2	112.0	117.8	121.6	125.2
Dividends in respect of the year (per share)	76.0p	87.5p	100.0p	110.0p	118.0p	136.0p	152.0p	160.0p	165.0p	170.0p
Net assets	524.4	609.5	766.9	826.3	852.3 ^{**}	1,010.0	1,169.8	1,157.7	1,209.2	1,222.3
Return on capital employed [†]	44.8%	49.8%	51.6%	50.8%	45.9% ^{**}	54.7%	49.0%	38.1%	35.5%	36.0%
Return on invested capital [†]	28.7%	22.6%	19.3%	18.7%	17.2% ^{**}	22.0%	18.3%	13.5%	12.8%	13.1%

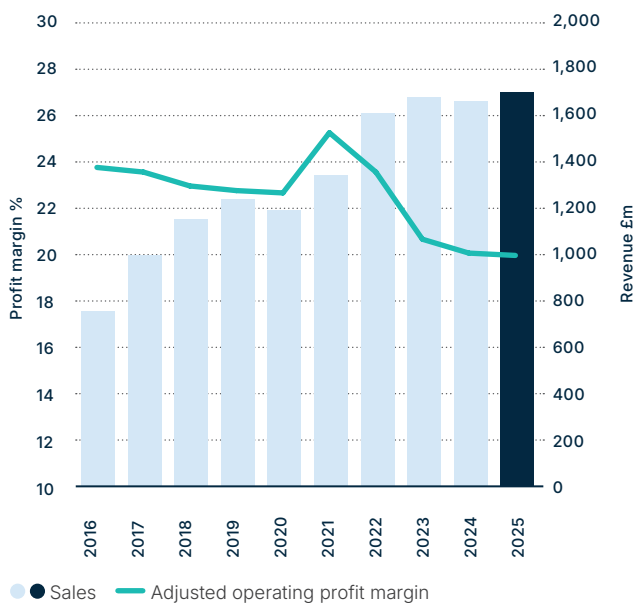
* All adjusted profit measures exclude certain items as set out and explained in the Group Chief Financial Officer's Review and in the Appendix to the Consolidated Financial Statements.

** 2020 has been restated following the IFRS Interpretations Committee agenda decision on configuration and customisation costs in cloud computing arrangements (Software as a Service (SaaS)), resulting in a £3.7 million adjustment to opening reserves and intangible assets.

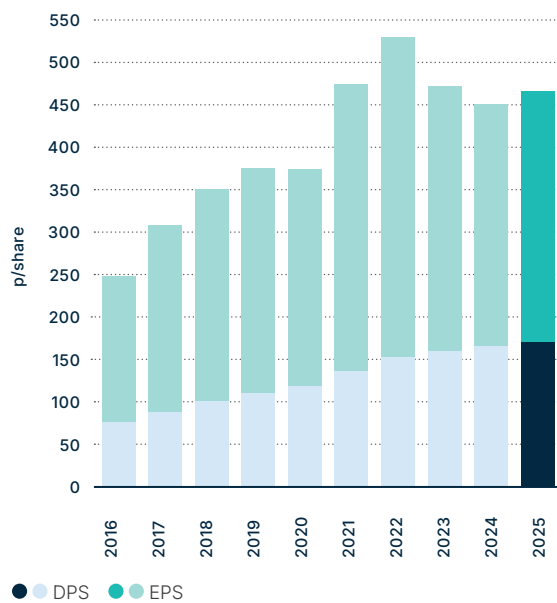
† The results for 2019 to 2025 include the impact of IFRS 16, which was adopted in 2019.

†† Capital expenditure excludes IFRS 16 lease repayments.

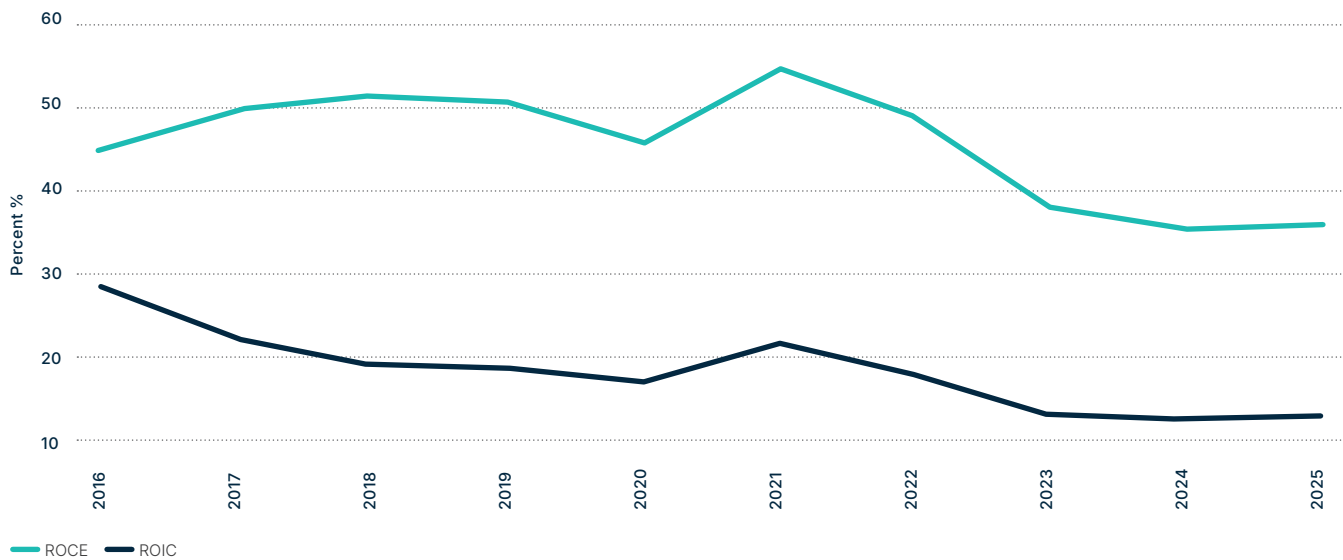
Revenue and adjusted operating profit margin £m/%



Dividends and adjusted earnings per share p



Return on capital employed and return on invested capital %



Market environment and operational performance at a glance

Market environment

Industrial production growth (IP)	2025			2026
	H1	H2	FY	FY
Europe	0.4%	1.1%	0.8%	1.8%
North America	0.4%	1.1%	0.8%	1.6%
South America	3.0%	(0.3)%	1.3%	(0.2)%
Asia	4.1%	2.9%	3.3%	2.8%
Global	2.5%	1.8%	2.1%	2.1%
Global (excluding China)	1.7%	1.6%	1.7%	2.1%

Source: CHR Economics February 2026.

Global industrial production growth (IP) in 2025 was 2.1%, or 1.7% excluding China (compared to 1.9% forecast at the beginning of the year). Following a weak first half, second half IP excluding China decreased to 1.6%, and the forecast second half recovery in Europe did not fully materialise. IP was weak across almost all regions in both the first and second halves of the year in key markets such as the USA, Germany, France, Italy and the UK that represent approximately 50% of Group revenues.

The broader macroeconomic impact of trade tariffs remains uncertain, compounded by the variation in rates driven by geopolitical events. The most significant impact has been customers' reduced confidence in committing to longer-term capital investments to expand their processing capacity, impacting large project demand.

Our local manufacturing presence in the USA helps mitigate our direct exposure to trade tariffs and as demonstrated in 2025, we expect to continue to protect our margins by managing the financial impacts through surcharges, pricing and limited reorganisations of manufacturing activity.



Progress in 2025:

<p>Revenue £</p> <p>£853.4m</p> <p>(2024: £867.9m)</p>	<p>Statutory operating profit £</p> <p>£167.8m</p> <p>(2024: £198.9m)</p>
<p>Adjusted operating profit £</p> <p>£200.3m</p> <p>(2024: £204.1m)</p>	<p>Statutory operating profit margin %</p> <p>19.7%</p> <p>(2024: 22.9%)</p>
<p>Adjusted operating profit margin %</p> <p>23.5%</p> <p>(2024: 23.5%)</p>	<p>Operating units #</p> <p>60</p>
<p>Colleagues #</p> <p>~5,000</p>	

Key industries



Food & Beverage



OEM Machinery



Pharmaceutical & Biotechnology



Chemicals

➤ Read more on pages 32 and 33 and 48 to 50


Progress in 2025:

Revenue £

£441.3m

(2024: £404.6m)

Statutory operating profit £

£40.4m

(2024: £46.1m)

Adjusted operating profit £

£71.3m

(2024: £64.7m)

Statutory operating profit margin %

9.2%

(2024: 11.4%)

Adjusted operating profit margin %

16.2%

(2024: 16.0%)

Operating units #

35

Colleagues #

~2,900
Key industries


Power Generation



Semiconductor



Oil & Gas



OEM Machinery

+ Read more on page 32 and 33 and 52 to 54

Progress in 2025:

Revenue £

£408.2m

(2024: £392.7m)

Statutory operating profit £

£96.9m

(2024: £90.3m)

Adjusted operating profit £

£107.0m

(2024: £99.0m)

Statutory operating profit margin %

23.7%

(2024: 23.0%)

Adjusted operating profit margin %

26.2%

(2024: 25.2%)

Operating units #

46

Colleagues #

~2,050
Key industries


Pharmaceutical & Biotechnology



Food & Beverage



Water & Wastewater



Healthcare

+ Read more on page 32 and 33 and 56 to 58



In a challenging market environment, STS delivered a resilient performance in 2025. Strong execution across MRO, solution-selling and Commercial Excellence initiatives continued to drive growth and positions the Business well for the future.”

Maurizio Preziosa

Managing Director, Steam Thermal Solutions

STS is a global leader in the design and supply of industrial and commercial steam systems, including condensate management, controls and thermal energy management products and solutions. The broad range of applications across multiple sectors that require steam to transfer large energy loads in the form of heat, as well as our large and geographically diverse installed base, underpin an enduring source of MRO and solution-selling revenues for STS.

Demand

Demand for STS products and solutions, particularly large projects, is linked to IP. Large project demand was weak across all regions, as customers deferred or reduced capital expenditure in response to uncertainty around trade tariffs and lower macroeconomic growth. As expected, this impact was felt most significantly in China, where our business is more weighted towards large projects than in the rest of STS, albeit the weakness in demand moderated compared to 2024 and sequentially through 2025. Customers in Korea also temporarily deferred capital investment decisions during the first half of 2025 as a result of political instability at the end of 2024. Following elections and the new government’s proposal of an economic stimulus package in June, we saw sequential quarter-on-quarter improvements in demand through the second half. China and Korea accounted for 22% of STS sales in 2024.

Against this backdrop, our focus on leveraging our direct sales model and successful execution of our Commercial Excellence priorities supported demand generation in MRO and solution-sales across all markets. Our digital solutions delivered high-double-digit demand growth in digital product and subscriptions, with additional pull-through from identifying optimisation, replacement and repair opportunities.

Sales

Sales of £853.4 million were 1% higher organically, or 3% lower after an adverse exchange rate impact. Organic growth improved in the second half (2%), as expected. Excluding large project sales in China and Korea, full year organic sales growth was 3%.

EMEA and Americas delivered growth well ahead of IP, as we continued to focus on the operational priorities within our control. Our growth was delivered against the backdrop of weak IP and a material reorganisation of our EMEA operating companies and management layers in the first half of the year.

Adapting to drive growth through focused priorities...

...how STS is boosting growth through distributor collaboration.

In the USA, Steam Thermal Solutions' (STS) growth strategy is built on a combination of serving end-users both directly and through a broad distribution network.

[+ Read more on page 50](#)



In APAC, sales declined organically, due to weaker demand for large projects in China and Korea. However, in China we delivered double-digit growth in MRO sales across both the first and second halves of the year. As expected, the weakness in large project sales moderated compared to 2024. Together with MRO growth, this contained the sales decline in China to 3%, compared to the 13% decline in 2024.

In Gestra, the process of negotiating efficiency and performance improvements with the local Works Council and Union impacted shipments from our facility in Germany, but part of the shortfall was recovered in the last quarter with a sustained improvement carried into 2026.

Margin

Adjusted operating profit of £200.3 million was 3% higher organically, and 2% lower after an adverse exchange rate impact. Margin of 23.5% was 40bps higher organically, with the drop-through from organic sales growth to profit supported by restructuring benefits and operational savings in procurement, partly offset by investment in future organic growth priorities.

Statutory results

Sales of £853.4 million were down 2% including an adverse exchange rate impact of 3%. Statutory operating profit of £167.8 million was down 16% from 2024, reflecting an adverse exchange rate impact of 5% as well as restructuring costs of £26.5 million. Statutory operating profit margin of 19.7% decreased by 320bps.

Outlook

We expect STS to deliver low-single-digit organic sales growth, higher than in 2025, with growth outside China well ahead of IP and trading in China continuing to improve. We expect STS margin to improve organically, supported by operating leverage and full year restructuring benefits, partly offset by ongoing investment in future growth.



From reach to results...

...how STS is boosting growth through distributor collaboration.

In the USA, Steam Thermal Solutions' (STS) growth strategy is built on a combination of serving end users both directly and through a broad distribution network. This dual approach enables the STS Americas Division to maximise market reach, deepen customer relationships and deliver technical solutions that set it apart from competitors.

Direct sales remains the cornerstone of our customer engagement, with sales engineers actively 'walking the plant' and developing customer solutions directly. However, the scale and complexity of the USA market require a broader reach and distribution partners are a multiplier for the Division, increasing coverage and opening doors to new opportunities. For example, the number of sales representatives of just one distributor is four times larger than our sales force and so these partnerships provide access to a much wider, synergistic customer base. Recognising the scale of this opportunity, the Business made expanding growth through distributors a priority in 2025.

A key differentiator in our approach is the depth of technical expertise we bring to distributor partnerships. Distributors have broad product portfolios but lack the specialised knowledge required for complex engineered solutions that support steam and thermal energy processes. By working in partnership, we are

co-generating opportunities that result in tailored solutions being delivered directly to the customer that address its critical challenges. This enhances the distributor's value proposition and strengthens STS' position as the steam and thermal energy expert.

Recognising that not all distributor relationships are equal we adapted our approach in 2025 to focus on STS Americas' top 22 distribution partners. This targeted approach has delivered results. While overall growth in 2025 from distributors in the USA was low-single-digit year-on-year, STS delivered a high-single-digit increase in demand from distribution partners that were onboarded early in the year, compared to 2024. This success is attributed to joint account planning, strategic alignment and a differentiated approach that leverages each partner's strengths. By concentrating resources and attention on these key relationships, we have aligned our efforts with partners who are committed to co-generating value for customers and driving mutual growth.

The distribution network includes both national and strong regional players. National partners provide scale, logistical support and access to large, multi-site customers, while regional partners offer deep local knowledge and agility. For instance, the leading national distributor

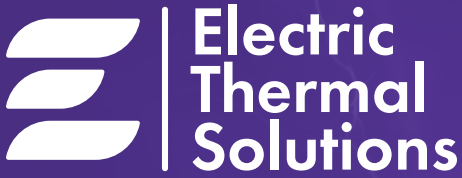
partner's sector and account focus is similar to that of STS Americas, enabling seamless collaboration on complex projects. Regional distributors excel at building long-term relationships with local customers and delivering a tailored service. In both cases, STS works closely with distributor teams, sometimes leading the sales process, other times supporting to ensure that customer needs are met efficiently and effectively.

Today, direct sales and co-generated sales with distributors account for over 40% of STS sales in the USA. This hyperfocus within the distribution strategy is a key example of Commercial Excellence. By leveraging the reach and scale of the strongest partners, prioritising strategic relationships and focusing on collaborative solution-selling, we are well positioned to keep driving growth in STS through co-generation in 2026 and beyond.

High-single-digit

increase in demand growth from distribution partners onboarded early in 2025





2025 marked a year of strong progress for ETS, driven by operational improvements, a recovery in Semicon demand and major wins in attractive end markets. The successful completion of our Medium Voltage facility in Ogden, USA, provides a solid platform to support continued growth."

Andrew Mines
Managing Director, Electric Thermal Solutions

In ETS, we combine technical expertise, process insights and proprietary technology to deliver electrical process heating and temperature management solutions, including industrial heaters and systems, heat tracing and a range of component technologies. Our solutions for equipment heating are critical in applications that require precise control of very high temperatures and concentrated power loads. ETS is also uniquely positioned to enable the energy transition and support our customers' decarbonisation journeys.

Demand

Demand for ETS solutions remained robust in 2025 with strong growth in all three Divisions: Process Heating, Equipment Heating and Heat Trace.

In Process Heating we continued to see strong demand for both customised Low Voltage (LV) and Medium Voltage (MV) electrification solutions including a significant and growing pipeline of customer enquiries for our PoweringZero decarbonisation solutions. We also targeted the Datacentre sector with temperature control solutions, driving strong growth from a large contract win in the first half.

In Equipment Heating, demand from Semicon customers continued to improve on 2024 levels, supported by our highly specialised niche positioning, unique product capabilities and close customer relationships. Demand from customers in the Nuclear and Aerospace & Defence sectors was also strong in 2025, which will benefit later years as shipments are typically phased over longer periods.

Heat Trace, which we separated out from Process Heating earlier in the year, benefited from our now separate and focused team of sales engineers targeting new sectors, regions and customers. We also improved shipping lead-times, simplified installation and refreshed our software to allow for remote monitoring and control.

Adapting to drive growth through focused priorities...

...how ETS is unlocking sustainable demand from Datacentres.

The rapid expansion of the Datacentre sector is transforming the industrial landscape and is a major growth area for our ETS Business.

[+ Read more on page 54](#)



Sales

Sales of £441.3 million were 11% higher organically, despite a strong comparator, or 9% higher after an adverse exchange rate impact.

Growth in Process Heating (64% of 2024 sales) was supported by continuing operational improvements increasing shipments from the large order book brought forward into 2025, including a significant reduction in the overdue backlog of legacy orders, as well as a large contract win. In Equipment Heating (24% of ETS 2024 sales), double-digit growth was supported by strong demand from Semicon customers (11% of ETS 2024 sales). Heat Trace (12% of ETS 2024 sales) also benefited from strong demand growth driven by expansion in EMEA, alongside continuing growth in the USA.

Margin

Adjusted operating profit of £71.3 million was 12% higher organically and 10% higher after an adverse exchange rate impact. Operating leverage from strong organic sales growth was offset by the impact of shipping residual lower margin legacy orders; initial running costs for the new MV facility in Ogden; and continuing investment in building ETS capabilities across a number of areas including sales headcount and systems. As a result, ETS margin of 16.2% was 20bps higher organically, with a second half margin of 17.2%.

Statutory results

Sales of £441.3 million were up 9% including an adverse exchange rate impact of 2%. Statutory operating profit of £40.4 million was down 12% compared to 2024, reflecting an adverse exchange rate impact of 2% as well as one-off restructuring costs of £5.4 million. Statutory operating profit margin of 9.2% decreased by 220bps.

Outlook

In ETS, we anticipate high-single-digit organic sales growth supported by a strong orderbook (including the benefit of the large contract win in 2025); increased manufacturing throughput from operational improvements; and continuing demand strength in our key end markets. We anticipate that operating leverage from organic growth and a greater proportion of higher-margin Semicon sales, partly offset by the initial running costs of the new MV facility in Ogden, will support strong organic margin progress. As expected, the majority of legacy orders in our Ogden order book were shipped by the end of 2025 with the remaining few orders delivered early in 2026 at the request of customers. This has removed a key headwind that affected margin progress in 2025.



From hot demand to cool delivery...

...how ETS is unlocking sustainable demand from Datacentres.

The rapid expansion of the Datacentre sector is transforming the industrial landscape and is a major growth area for our Electric Thermal Solutions (ETS) Business. Datacentres underpin the digital economy, supporting everything from cloud computing to AI-driven applications. ICF, a global consulting and technology firm, predicts that by 2030 up to 25% of USA power production could be consumed by AI datacentres and related industries, reflecting a dramatic surge in electricity demand.

Investment trends reinforce this momentum. For the first time, more capital is being invested in building datacentres than in the Oil & Gas sector, marking a significant shift in global priorities. This growth is not limited to technology giants; other industries, such as Banking, are also investing heavily in datacentres for AI-driven applications.

The expansion of the Datacentre sector drives demand for supporting products and services, such as industrial heaters, heat trace systems and transmission and distribution (T&D) equipment. We have seen related business, such as T&D equipment for key OEMs, grow by double digits, demonstrating the potential in this sector.

ETS' collaboration with a leading global OEM is one example of our ability to drive growth from having a clear sector focus and an adaptable approach to meeting customer needs, supported by our differentiated engineering capability. Our customer required a bespoke heating solution for liquid-cooled load banks used in Datacentre commissioning, an application where thermal dissipation of the electrical load is critical.

Datacentres house large servers and electronic equipment, along with their associated cooling systems. Liquid-cooled load banks are essential devices used to simulate electrical loads to test and validate the performance of power systems, such as generators, uninterruptible power supplies and datacentre infrastructure. These tests generate significant amounts of heat, which must be effectively dissipated to ensure accurate and reliable results.

Within ETS, our North America Sales team collaborated with the Design Engineering teams at our Nuevo Laredo facility in Mexico to develop a heater prototype, leveraging Chromalox technology and cross-functional expertise. The result was a custom product that converts electrical load into heat, efficiently removed by a high-volume propylene-glycol mixture to optimise cooling.

Operational Excellence was key to customer service and delivery. During 2025, daily shipments of the heater increased by 75%. To meet this increasing customer demand, we leveraged our new Operational Excellence Framework to introduce 'self-directed' teams, lean workflows and to set up a dedicated production line.

The team at ETS adopted a partnership approach, delivering a bespoke solution that has customer insights and collaboration at its core, demonstrated through regular site visits and rapid set-up of production with continuous improvement. For example, by proposing to deliver fully assembled, hydro-tested tanks with heaters that reduced our customer's labour and quality risks, we reinforced our position as a strategic partner.

As the Datacentre sector continues to expand globally, ETS' blend of Commercial Excellence, through our sector focus and solution-sales, as well as Operational Excellence, through scalable, lean manufacturing, positions Spirax Group as a trusted partner for customers seeking reliable, innovative solutions in a fast-evolving market.

75%

increase in production during 2025, supporting...

...11%

organic sales growth in ETS



Hear the full story on spiraxgroup.com





WMFTS delivered a strong performance in 2025, supported by a recovering Biopharm market and our continued focus on sector-led selling. Ongoing operational efficiencies across manufacturing and the supply chain enabled us to translate growth into improved returns.”

Stuart Roby
Managing Director, Watson-Marlow
Fluid Technology Solutions

Fluid technology solutions are critical to a wide range of industrial processes and applications, from those requiring sterility and accuracy, to high-volume pumping of corrosive materials. WMFTS designs and manufactures peristaltic and niche pumps and associated fluid path technologies, including tubing, specialised filling systems and products for single use applications. Our pump and fluid path technologies provide industry-leading, sustainable solutions to deliver secure and accurate metering, dosing, transfer and filling for industries such as Biopharm, Food & Beverage, Water & Wastewater, Mining and Healthcare.

Demand

We continued to see a strong recovery in Biopharm demand, following double-digit growth in 2024. Biopharm sales were above orders in 2024, supported by the large carried forward orderbook which normalised by the end of the year. In the first half of 2025, organic orders growth of over 10% resulted in orders exceeding sales for the first time since 2021 (peak COVID demand), supporting stronger second half sales growth, as expected. For the full year 2025, orders growth has remained over 10% organically with strong demand from both end-users and OEM customers. Underlying drivers of demand, particularly in areas such as monoclonal antibodies, recombinant DNA and cell and gene therapies, remain robust as reflected in end-user activity.

Demand in Process Industries is fundamentally linked to IP, but our focus on target sectors, leveraging our direct sales capability, enables us to generate demand growth above IP. During 2025, we saw strong demand growth in the Water & Wastewater, Food & Beverage and Mining sectors where we increased market share. We also saw strong growth in demand from Medical Devices OEM customers, securing large contract wins.

Sales

Sales of £408.2 million were 6% higher organically, or 4% higher after an adverse exchange rate impact. As expected, growth in Biopharm sales (approximately 50% of WMFTS sales and 12% of Group sales) accelerated in the second half as the demand recovery, which began in 2024, continued throughout 2025. Process Industries sales were supported by strong growth in our target sectors, as well as large Medical Devices OEM customer orders which had specified delivery in the fourth quarter, contributing to the acceleration of sales growth.

Adapting to drive growth through focused priorities...

...how WMFTS turned customer challenges into Biopharm growth.

WMFTS has adapted by repositioning our single-use products as integrated solutions, better addressing the Biopharm sector's fluid management needs.

[+ Read more on page 58](#)



Margin

Adjusted operating profit of £107.0 million was 13% higher organically and 8% higher after an adverse exchange rate impact. Our margin of 26.2% was 160bps higher organically, supported by strong operating leverage; ongoing manufacturing and supply chain efficiencies; and restructuring savings, offset by reinvestment in future growth drivers. The phasing of sales to Medical Devices OEM customers and higher than originally planned restructuring savings contributed to second half margins being slightly ahead of the first half.

Statutory results

Sales of £408.2 million were 4% higher compared to 2024 including an adverse exchange rate impact of 2%. Statutory operating profit of £96.9 million was up 7% compared to 2024, despite an adverse exchange rate impact of 4% and one-off restructuring costs of £7.0 million. Statutory operating profit margin of 23.7% was up 70bps.

Outlook

In WMFTS, we anticipate high-single-digit organic sales growth, driven by continuing recovery in Biopharm demand and Process Industries again outperforming IP, with operating leverage supporting organic margin progress broadly similar to that delivered in 2025.



From complexity to clarity...

...how WMFTS turned customer challenges into Biopharm growth.

In response to the post-pandemic downturn in biomanufacturing, Watson-Marlow Fluid Technology Solutions (WMFTS) has adapted by repositioning our single-use products as integrated solutions, better addressing the Biopharm sector's fluid management needs.

By consolidating a previously fragmented product portfolio under the WMArchitect™ brand, we created a clear, customer-centric offering that directly addresses industry needs and through solution-selling, has achieved significant demand growth of over 30%.

Understanding the complex requirements and high standards for product quality, traceability and sustainability in Biopharm, WMFTS identified that our legacy assemblies were difficult for customers to navigate and purchase. The rebrand simplified and unified the product range, enabling our sales engineers to offer fully customised, end-to-end single-use fluid management solutions from a validated menu of components.

Recognising the importance of this consultative approach, we invested in upskilling our sales engineers. This training equipped them to deepen their understanding of both the product and customers' specific bioprocesses, enabling them to deliver tailored recommendations and solve specific challenges. For example, a simple customisation, the implementation of coloured cable ties for fluid line identification, helped a global biopharmaceutical customer improve traceability and secured repeat business for WMFTS.

Meanwhile, a collaboration with a bespoke needles and manifolds manufacturer, to deliver an optimised filling line, led to a large order of complex, custom-designed assemblies for a high-speed fill operation.

As part of the innovation, a dedicated 'validation testing' service was launched, providing customers with specialist bioprocessing expertise and tailored validation support to ensure regulatory compliance and process confidence. Delivered by our in-house experts, this service facilitates informed decision making and has accelerated adoption of WMArchitect™.

A key differentiator is the highly customised nature of each solution. To support delivery, manufacturing onboarding and training were streamlined, halving the time for new operators to contribute. Assemblies were categorised by complexity, allowing skilled colleagues to focus on technical builds and maintain >99% right-first-time efficiency.

Operational improvements, including better material flow and stock management, meant demanding lead times (six to eight weeks for irradiated assemblies) could be met. This operational adaptability has been vital for supporting customer production schedules and growth.

Sustainability and compliance have also been key to customer relationships. Meeting stringent supplier criteria secured and expanded key accounts, including for a major healthcare manufacturer that doubled its orders in 2025, thanks in part to WMFTS' sustainability credentials.

By focusing on the unique needs of the Biopharm sector and delivering solution-driven, tailored offerings, we have adapted our approach, increasing market share and expanding our addressable market, supporting our customers to achieve greater efficiency, compliance and growth, while also driving our commercial success.

>30%

demand growth in WMArchitect™, supporting...

...>10%

demand growth in Biopharm



One Planet Sustainability progress review



We have made significant progress since launching **One Planet** in 2021 and are now preparing to build on that for the future.”

Sarah Peers
Group Sustainability Director

Our **One Planet: Engineering with Purpose** Sustainability Strategy (**One Planet**) continued to shape our activities in 2025. The Group-wide strategy was initially designed in 2021 and has driven sustainability across all areas of our operations from how we source materials, develop, manufacture and sell our products, to how we create value for our customers and support our communities, ensuring we protect people and the planet.

Summary of progress against key targets

As we complete five years of **One Planet**, below is a summary of the progress we have achieved against 17 key targets that we set in 2021. Further detail of all One Planet targets and actions taken in respect of them can be found in pages 70 and 71.

Strategic initiative	2025 target	Progress against 2025 target	Read more on page
Achieve net zero greenhouse gas emissions	50% reduction in CO ₂ e (scopes 1 and 2) vs 2019*	■	73
	20% reduction in energy vs 2019*	●	74
Deliver biodiversity net gain	5x operational footprint 'offset'	●	76
	100% of OpCos complete a biodiversity initiative*	●	76
Implement environmental improvements in our operations	15% reduction in water use vs 2019*	■	78
	10% reduction in waste generation vs 2019*	■	78
	Zero waste to landfill*	●	78
	Transition from solvent-based to water-based paints in our own operations*	●	70
Grow sales of products with quantified sustainability benefits	All manufacturing sites certified to ISO 14001 *	●	77
	Zero single-use plastic or non-recyclable packaging*†	●	79
Embed sustainability criteria in supply chain management	80% of strategic suppliers assessed as meeting sustainability standards*	●	80
Support the wellbeing of people in our communities	150,000+ volunteering hours	●	81
	£2 million in donations from OpCos	●	81
	Up to £15 million donated through the Education Fund by 2030	●	81

■ Target exceeded ● Target fully met ● Target progress but not fully met

* Excludes acquisitions. † Unless specified by customer requirements such as for sterile applications.

During the year, we undertook a review and refresh of our **One Planet** Strategy to ensure it remains fit for purpose in an increasingly complex and rapidly evolving global context. The external sustainability landscape continues to be shaped by geopolitical and regulatory uncertainty, shifting stakeholder expectations and growing scrutiny of Environmental, Social and Governance (ESG) practices. Recognising that our products and services are vital to helping customers to optimise and reduce their energy consumption and increase operational efficiency, we have evolved the **One Planet** Strategy to drive long-term value creation and protection, while increasing business resilience, with a sharper focus on materiality and measurable impact. We are proud of the progress we have made through the first phase of the **One Planet** Strategy. We want to build on that success, while applying lessons learned from areas where outcomes did not meet expectations, to deliver targeted and impactful strategic focus for the future.

Regulatory compliance

We continued to tailor our approach to sustainability reporting, in line with evolving regulatory standards. We are actively preparing for the anticipated UK Sustainability Reporting Standards (UK SRS), ensuring our data and processes are aligned with the expected requirements. We are also closely monitoring updates in respect of the EU Corporate Sustainability Reporting Directive (CSRD) as they will determine whether the Group will be in scope. In the meantime, we remain committed to compliance with existing requirements and voluntary transparency, continuing to report through the Carbon Disclosure Project (CDP) and maintaining our membership in the United Nations Global Compact, reflecting our dedication to responsible business practices and long-term value creation.

One Planet strategic refresh process

The **One Planet** refresh was guided by a robust and inclusive process to ensure it reflects both our external environment and internal ambitions. We built on the double materiality assessment, conducted in 2024 as part of our CSRD readiness work, which involved extensive stakeholder engagement and an evaluation of the financial impacts of sustainability issues to identify our most material areas of focus. Throughout 2025, we deepened our engagement with customers, directly and through our internal customer insights teams, to better understand the sustainability issues most important to them. We also considered the perspectives of investors, our colleagues and other key stakeholders to ensure a balanced and informed approach.

Having reached the five-year milestone of **One Planet**, completed the refresh and secured next phase approval, I will be leaving Spirax Group in April 2026. As I reflect on my 13 years with the Group, I am immensely proud of the significant progress we have made in both our own sustainability performance and the important role we continue to play in our customers' sustainability journeys; strengthening the Group's position as a leader in industrial sustainability.

I am pleased to confirm that Sarah Makumbe, currently Group Head of Sustainability Operations, will assume full ownership of the Sustainability function as Group Head of Sustainability. Sarah brings deep operational expertise and has been instrumental in shaping our sustainability operations since joining in 2025. Under her leadership, and with continued Executive support, sustainability will remain at the heart of the Group's long-term success.

Sarah Peers
Group Sustainability Director

Sustainability in action

Defining our refreshed One Planet Roadmap; aligned to stakeholder needs

During 2025, we undertook a comprehensive process to ensure that our strategic refresh of **One Planet**, which will be known as our **One Planet** Sustainability Roadmap (Roadmap), is strongly aligned with our **Together for Growth** Strategy, recognising the role of sustainability in supporting our long-term growth and resilience.



1. Discovery and inputs

- Trend analysis
- Stakeholder interviews
- Voice of customer
- Peer benchmarking
- Regulatory review
- Double Materiality Assessment
- Internal workshops



2. Strategy development

- Strategic framework and target development
- Value proposition development
- Leadership alignment
- Sustainable revenues model development



3. Strategy refinement

- Financial assessment and planning
- Operating model review and update
- Voice of customer
- Internal validation
- Refinement
- Group Executive Committee approval



4. Board approval

- Review and final approval of refreshed strategy and targets

The refreshed Roadmap was created with the support of, and input from, the Group Executive Committee and was approved by the Spirax Group Board in October 2025.

We will share more details of the refreshed Roadmap and targets during the second quarter of 2026 via our website and will share our progress in the 2026 Annual Report.

Health and Safety

Alignment with UN SDGs



All-workplace Injury Rate¹



Serious Injury Rate⁴



Group H&S Excellence Framework (% complete⁵)



- 1 Requiring first aid and above; per 100,000 work hours⁵.
- 2 Adjusted from 2.37 following an audit by Group EHS.
- 3 Adjusted from 2.31 following an audit by Group EHS.
- 4 Per 100,000 work hours and specified Serious Injuries as outlined within the UK RIDDOR Regulations⁵.
- 5 Subject to ongoing review and validation by Group EHS.

Driving a culture of continuous improvement

We remain committed to driving a culture of continuous improvement across all our operations and we have made positive advancements throughout the year through the application of our Group Health and Safety (H&S) Excellence Framework. We have also made good progress in targeted risk reduction initiatives by developing new standards and mandatory H&S instructions, as well as applying incident learning and thematic assurance.

These initiatives underpin our structured approach to risk management and continuous improvement, ensuring that safety remains the priority in everything we do.

Our focus remains clear. We aim to reduce risk and prevent harm, maintaining workplaces where everyone feels safe and empowered to prioritise safety. In line with this focus, during 2025 we:

Progressed the Group H&S Excellence Framework: our Framework provides the structure for a consistent global approach, continuous improvement, active engagement and oversight on a wide range of risk reduction targets across the areas of culture, assurance, risk and enablement. As progression through the Framework becomes increasingly rigorous, we are encouraged that 78% of companies achieved Silver level in 2025. Silver level includes risk control measures for contractor control, racking and lifting operations, documented reviews of top risks, mental health action plans, an enhanced focus on lock and tag out of machinery and on delivering actions from the 2024 Safety Culture survey.

Commenced a Group H&S systems efficacy project: it is important that the Group has effective systems to allow us to report consistently, monitor risk, track actions and assurance and log the progress of investigations. Following an extensive consultation in 2025 to assess system needs across the Group, we are aiming to implement a new consolidated online safety management system over the next two years.

Invested in H&S talent: during the year, we focused on competency pathways and development for the Global H&S function, enabling our colleagues to continue to grow their knowledge and skills in line with the needs of the Businesses that they support. This included the Group securing corporate membership with the Institute of Occupational Safety and Health and supporting 23 colleagues in joining and commencing their continuing professional development. In addition, 10 colleagues successfully undertook additional Health and Safety qualifications (Levels 3 to 6), further strengthening their technical expertise and capability.

Maintained our Group H&S assurance: in 2025, a total of 20 Group H&S audits (2024: 13) were undertaken at operating companies. These visits enabled us to see the progress being made and also provided an opportunity to actively engage with and support our teams. Discussions encapsulated a range of topics including leadership, culture, action management and progress against the Group H&S Excellence Framework. Relevant H&S investigations were also discussed, including sharing lessons learned. During these visits we saw progress, including visible safety leadership, improved and more consistent approaches to machine guarding, increased pedestrian safety on site through segregation of pedestrians and vehicles and enhanced contractor management. The levels of awareness, commitment and engagement demonstrated by colleagues during these visits are encouraging. Notwithstanding this progress, we still have opportunities to further strengthen risk identification, reduction and control in the following areas: action management, machinery safety and contractor control.

Overall performance

Our underlying safety performance is improving.

Overall, incidents that resulted in confirmed lost time (e.g. not including self-certification) have dropped from 52 in 2024 to 28, representing a reduction of 46%. In addition, our All-workplace Injury Rate[^] reduced from 2.30* at the end of 2024 to 2.12* at the end of 2025, representing an 8% reduction. There were no fatalities during the period.

Disappointingly, serious injuries[#] increased overall, up from 3 in 2024 to 6 in 2025, with the frequency rate 0.02* in 2024 increasing to 0.03*. These serious injuries occurred within four operating companies representing less than 10% of our total colleague population. Each case has been thoroughly investigated and the lessons learned were shared across the Group to help prevent future occurrences.

Our approach to safety continues to evolve beyond traditional reliance on lagging indicators such as injury rates and lost-time incidents. These measures, while useful for

historical analysis, do not predict future risk or reflect the strength of our safety systems. True progress comes from learning why events happen through gaining a better understanding, identifying underlying risks and sharing insights across the Group. By focusing on lessons learned rather than just statistics and with an increased emphasis on every colleague's power to 'stop the job', we build a culture that values prevention, continuous improvement and the wellbeing of every individual. These actions help us to ensure safety is embedded in how we work every day.

That is why we aim to ensure that all incidents, including near misses, are treated as learning events, as we believe this focus on understanding the root cause has, in part, contributed to the overall reduction in incidents.

[^] Requiring first aid and above.

* Per 100,000 work hours.

[#] To increase transparency and consistency, our Group moved from an internal definition of serious injuries to the definition of specified serious injuries as outlined within the UK RIDDOR Regulations.

Health and Safety in action

Making the right choice, the safe choice

We believe colleagues across our Group understand the importance of safety, but we also know that sometimes it can be hard to keep safety in focus every single day. This is especially challenging when conducting routine, everyday tasks and also during busier times.

That's why for the last three years we have held a Global Safety Stand Down (GSSD) across our Group. The first GSSD in 2024 was held in response to a colleague sustaining a serious injury and the global event, where all 10,000 colleagues stopped work for at least an hour to discuss safety, was mobilised within seven days of the incident. Subsequent GSSD events in 2025 and 2026 were held in early January to ensure each year began with helping colleagues to remember that Safety is our number one priority as well as a core Value of the Group. Through this forward-looking approach, in 2025 we invited colleagues to discuss the merits of proactive safety measures using the discussion framework of 'what if' rather than 'if only'.

Our 2026 GSSD event was designed to build on these themes to prompt colleagues to stay focused on being proactive about addressing safety concerns and risks. We approached this, firstly, by creating a range of audience-specific topics to ensure that the GSSD conversation was entirely relevant to the context in which each colleague works, as well as the work they do. Then, on 14 January, we asked every colleague across the Group to 'stand down' from their work for at least an hour to pause, reflect and actively think about the risks they face, take or have taken.

The materials we shared to inspire their thoughts and conversations included stories from colleagues who have previously suffered a serious injury or were involved in a

high-potential near miss incident and who wanted to share their story. In these videos, our colleagues spoke with sincerity about the impact these events had on them and their loved ones, as well as things they wish they had done differently. One of the most impactful videos we shared was recorded by Valdecir, the colleague whose injury had sparked our first GSSD in 2024. He spoke about how his accident had occurred and how it has affected him personally and professionally and encouraged his colleagues not to take risks with their safety and to remember that they have family and loved ones waiting for them to come home safely at the end of every shift.

Across all the videos shared by our colleagues, their experiences varied, but a clear and consistent message emerged: each incident offered valuable learning, not only for the individuals involved, but for all of us as an organisation. These stories remind us why creating the conditions for safe work is essential and why we must continue strengthening our systems, processes and culture so that no colleague ever feels they need to take a risk to get the job done.

We believe that this collective learning and continued focus on prevention are contributing to the year-on-year decline in our All-workplace Injury Rate.



Hear our colleagues talk about why safety is so important on [spiraxgroup.com](https://www.spiraxgroup.com)



From cultural strength to performance advantage...

...how we are sustaining High Values and accelerating High Performance.

2025 was a pivotal year for Spirax Group. Alongside the launch of our **Together for Growth** Strategy, we placed renewed emphasis on strengthening our culture as the foundation of future performance. Our approach focused on sustaining our High Values culture, where our six core Values guide daily behaviours, helping colleagues feel supported and included, while accelerating High Performance to align with our strategic ambitions.

Throughout the year, we engaged around 500 senior leaders through monthly calls, establishing a consistent rhythm for translating Group priorities into divisional and local plans. These sessions reinforced expectations, shared progress being made by colleagues across the Group and provided tools for managing change. This ongoing socialisation also helped leaders understand how their work contributes to the delivery of our strategy, providing clarity around how we're all working together to achieve our ambition.

Alongside this, the Colleague Engagement Committee (CEC) provided a direct mechanism for Board-level workforce engagement. In 2025, the Committee held 11 structured focus groups, engaging more than 100 colleagues across Businesses, functions and geographies, supported by Board site visits and virtual 'Coffee Talks'. These conversations offered deep insight into colleague experiences, perceptions of change and opportunities for improvement.

Colleagues consistently referenced Safety as our strongest Value, citing visible leadership and the confidence to raise concerns, demonstrating the resilience of our Values throughout transformation.

Feedback also highlighted strong team cohesion and a 'human' environment shaped by flexibility, wellbeing support and inclusive policies, underpinned by our Group Inclusion Commitments. These commitments, including parental leave, caregiving, menopause, pregnancy loss, domestic abuse support, LGBTQ+ inclusion and hybrid working, continued to create a globally consistent experience while allowing for local adaptation.

Importantly, colleagues also shared the challenges of operating in our organisation, including the need for improved cross-functional collaboration, especially between Sales and Supply teams, as well as clearer processes and systems and more support for managers leading change. We responded with targeted actions such as structured collaboration workshops, process development workshops and further rolling out 'self-directed teams', demonstrating active listening and responsiveness.

To help embed High Performance, we launched a 'leading differently' framework and a guide to help our leaders and their management teams navigate the changes with clarity and consistency.

We also strengthened the alignment between performance, reward and strategy. This involved sharpening the link between individual performance and reward outcomes. Bonus mechanics and pay review processes now create greater differentiation, ensuring High Performance is more meaningfully recognised. These changes are underpinned by a renewed emphasis on clearer objectives, more rigorous mid-year assessments and more frequent, honest performance conversations, enabling leaders to set focused priorities and improve accountability for delivery.

Together, these actions helped maintain trust, clarity and engagement during a period of significant change. By combining strategic alignment, visible leadership, Board-level engagement, inclusive practices and Values-based decision making, Spirax Group is building a culture where colleagues can thrive and where sustained High Values are now matched by accelerating High Performance.

500

senior leaders engaged in new strategy during 2025

>100

colleagues engaged in focus groups



People and Wellbeing

Alignment with UN SDGs



The wellbeing and mental health of our colleagues are as important to us as their physical safety.

In a year with a more volatile and uncertain economic environment, as well as political change and organisational change within our Group, keeping a focus on wellbeing and mental health was even more vital.

During 2025, we supported our colleagues through our free, confidential global Employee Assistance Programme, promoting this during periods of change such as restructuring activities in Q1. Every colleague globally could also access a paid annual Wellbeing Day, an extra day of leave for personal fulfilment or self-care. We continued to provide further support through our Group Inclusion Commitments and activities run by our global colleague networks (including a global men's mental health webinar), as well as resources like our World Mental Health Day toolkit and online Wellbeing Academy. Further information is available on our website.

Very often, we frame these activities through the lens of our four Colleague Promises, you can read more on our website spiraxgroup.com/en/life-at-spirax/why-work-here. During 2025, we continued to bring these to life in various ways. We started the year with a refreshed awareness campaign, for both new joiners and existing colleagues, of what the Colleague Promises are and why they matter. The campaign was rolled out internally via videos featuring colleagues talking about why they work at Spirax Group, including a viral online movement with the hashtag #whyworkhere, with the topic further supported by working group discussion sessions and an HR and line manager toolkit.

Key activities that supported our Colleague Promises across the year included:

An inclusive culture based on Values

We ensured our six core Values remained visible throughout the year. Our monthly Senior Leaders' Briefing calls all started with a Values moment and we continue to guide colleagues to use the Values when thinking about how to approach certain situations, for example when going through change or making complex decisions. The Values underpin our inclusive culture which incorporates our Inclusion Commitments and initiatives like our colleague networks. You can read more about our progress in both of these areas on page 64.

Development every day

Development every day is our promise to help colleagues fulfil their potential. In 2025, we:

Launched Spirax Group Management Excellence Programme:

this new management development programme was launched in January 2025 with more than 280 managers participating during the year. The programme has four modules designed to support managers to enhance trust, connectivity, performance and inclusivity within their teams. Engagement results* for managers who have attended the programme range from +2 to +21 points ahead, across a range of parameters, compared to managers who have yet to attend. The programme is also supported by an online community which brings together more than 2,000 line managers from across the Group to connect and share ideas, as well as to participate in further online learning modules and development opportunities.

Held our Development Everyday Festival: our fourth annual online development festival took place during one week in May with over 3,000 participants across 20 different events. The theme of 'customer obsession', drawn from our Vision and aligned with our **Together for Growth** Strategy, was chosen to reinforce the importance of understanding and anticipating customer needs to drive growth. The sessions helped colleagues see how their roles contribute to delivering exceptional customer experiences, helping us stay competitive and relevant in a changing market.

Highlights of the festival included:

Leadership insights: senior leaders shared perspectives on why customer-centricity is critical for sustainable growth and stakeholder value.

Interactive sessions: workshops focused on practical tools for improving customer engagement and leveraging digital platforms to enhance service delivery.

Capability and Belonging integration: sessions tied personal development to customer outcomes, reinforcing our Colleague Promises and growth mindset culture.

Future skills: spotlights on digital innovation and lifecycle services, preparing teams for evolving customer expectations.

Meaningful work creating a sustainable future for all

Helping colleagues to understand all the ways in which they make a difference as part of Spirax Group is key to engagement and aligns with our Purpose and Vision. This Colleague Promise featured within an 'Engineering your everyday' campaign at the start of the year in which we explained how our Group contributes to production of the various items found on a typical breakfast table, such as coffee, tea, toast and orange juice.

Belonging to supportive teams and strong relationships

A standout feature from the results of our 2023 Colleague Engagement Survey was that 'Supportive teams and colleagues' was the most popular response to the question 'What is the best thing about working at Spirax Group?'. In our 2025 survey, our colleagues gave us the same feedback. The biennial survey is the cornerstone of our listening activity which is pivotal for understanding how colleagues feel about working at Spirax Group and identifying what improvements can be made. We launched the 2025 survey in September and were very pleased to receive 83% voluntary participation for our first entirely 'paperless' questionnaire.

The scores for 'Engagement' (pride, purpose and motivation) and 'Enablement' (systems, process and environment) are critical indicators of how colleagues feel about working here and how well supported they feel to perform their roles. At the Group level, we have held firm on our Engagement score compared to 2023 and improved our positioning relative to the Global Industrial Goods benchmark (+1), which we think is a good outcome in a challenging year. Enablement has declined by -3 points and sits -3 below the benchmark, which is not unexpected given that the benefits of our ongoing investments in system and process improvements have not yet been felt across the organisation.

Around 650 line managers received the data for their teams, comprising five or more members, in November. These localised results were shared with teams across the Group during the first quarter of 2026 and local action plans are being developed in response.

* Based on data from the 2025 Colleague Engagement Survey.

Inclusion and Diversity

Alignment with UN SDGs



We believe diverse teams bring a variety of thinking, skills and experiences that make us more innovative and creative. When our teams work in a culture where everyone is treated fairly and supported to thrive, we all benefit. That is both a business performance imperative and a reflection of our Values. We are, therefore, pleased with the progress we have made towards our 2025 Group Diversity Goals while recognising there is, as ever, more to do.

As of 31 December, women represented 45.5% of our Board and 44.4% of our Group Executive Committee (GEC), increasing from 40% and 12.5% respectively since 2022.

In line with our aspirations, gender diversity of direct reports to our GEC rose from 31.5% women in 2024 to 42.0% women by year end against a 2022 baseline of 35.3%. Combined, gender diversity of our senior leadership (GEC and their direct reports) increased from 33.3% women in 2024 to 42.4% women by December 2025, achieving our 40% goal.

The February 2026 report of the FTSE Women Leaders Review (based on data as of 31 October 2025), ranked us as 20th in the FTSE 100 for gender diversity at Board and senior leadership levels. This was an increase of 40 places since 2024 (when we were ranked 60th). Along with HSBC Holdings, we were also named as the FTSE 100 company making the most progress on gender diversity from 2024 to 2025. In addition, we continue to benefit from and meet both the Review and the FCA's expectation of having a woman in one of our 'four key roles' (Chief Financial Officer).

While external recognition is not the driver of our inclusion work, it was encouraging to see our progress acknowledged in 2025. Highlights included:

- Being named a Women in Work Gender Equity Measure 'Trailblazer', placing in the top 10 of 400 companies for Board diversity, closing the UK gender pay gap and family-friendly employment policies

- Ranking among the UK's Top 10 Most Faith-Friendly FTSE 100 employers in the Religious Equity, Diversity & Inclusion (REDI) Monitor
- Advancing to Tier 2 Employer status in the CCLA UK Corporate Mental Health Benchmark

Our global graduate programme continues to attract a diversity of top talent. In 2025, 66.6% of our global intake were women.

Women now make up 27.5% of our total workforce, an increase on our 2022 baseline of 24.5%, though short of our minimum 30% aspiration. In commercial leadership roles, gender diversity rose from 10% women in 2022 to 15.9%, which is still below our 20% goal. While this represents progress, we recognise there is more to do and we will focus on better understanding the barriers and on determining how best to support colleagues from all genders to succeed in this field.

The 2025 Colleague Engagement Survey also revealed that our Group Inclusion Index increased (+3) compared to 2023 and now exceeds the Global Industrial Goods Benchmark (+5).

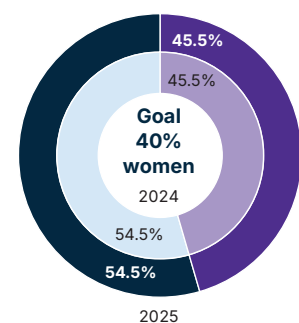
In the UK, we report our Gender Pay Gap for three entities: Spirax-Sarco Ltd, Watson-Marlow Ltd and Aflex Hose Ltd. We additionally voluntarily disclose data for our combined total UK workforce (including our companies that would not otherwise be captured under statutory reporting requirements).

Last year, we were pleased to report continued improvements in the reduction of our UK gender pay gaps. Spirax Group's mean and median pay gaps again reduced to 4.9% (down from 8.6% in 2023) and 4.0% (down from 7.8% in 2023) respectively. The continued focus on inclusive recruitment practices contributed to our UK workforce maintaining a population of circa 30% women. Representation of women at the most senior levels across the Group resulted in 7% more women being paid in the Upper Quartile and 5% more women being paid in the Upper Middle Quartile compared to our 2023 report.

Our 2024 consolidated Gender Pay Gap Report and individual entity reports (published April 2025) are available on Spirax Group's website [spiraxgroup.com/sustainability-downloads](https://www.spiraxgroup.com/sustainability-downloads); individual reports for Spirax-Sarco, Watson-Marlow and Aflex Hose are also available on the UK government website: www.gov.uk/find-gender-pay-gap-data.

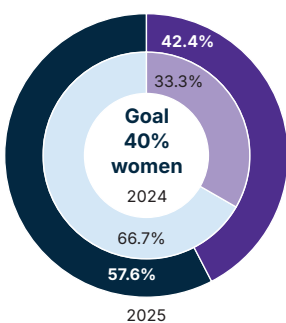
Diversity goals

Gender – Board of Directors*



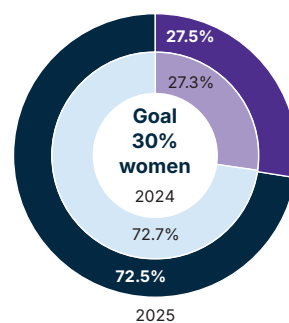
● Women – 5 (2024: 5)
● Men – 6 (2024: 6)
● Non-binary and other genders – none

Gender – senior leadership**



● Women – 25 (2024: 21)
● Men – 34 (2024: 42)
● Non-binary and other genders – none

Gender – total workforce*



● Women – 2,769 (2024: 2,717)
● Men – 7,303 (2024: 7,243)
● Non-binary and other genders – no data available

* At 31 December 2025.

** 'Senior leadership' means GEC and their direct reports.

➕ Read more around our Gender and Ethnicity Diversity goals on our website [spiraxgroup.com/diversity-goals](https://www.spiraxgroup.com/diversity-goals)



Inclusion and Diversity continued

We continue to meet the UK Parker Review's expectation of having a least one Board Director from a minority ethnic background, with two Board Directors from such backgrounds. Additionally, by December 2025, 24.0% of our GEC direct reports were from under-represented ethnic groups (in a global context), up from 9.8% in 2022 and exceeding our 2025 goal of 20%.

In 2026, we will assess where further progress is needed on diversity and set out our next steps. In support of the UK Parker Review, we have already set goals for 25% of senior leaders globally and 18% of UK-based senior leaders to be from under-represented ethnic groups by December 2027. At the end of 2025, these stood at 22.4% and 14.3% respectively.

You can read more about our efforts to support inclusion during 2025 to drive these outcomes on our website [spiraxgroup.com](https://www.spiraxgroup.com).

We additionally continue to work towards being able to voluntarily report our UK Ethnicity Pay Gap, with a focus on building data in 2026.

In line with Listing Rule 6.6.6R (9), data used to compile diversity information is based on internal HR records for our executive management. For the Board of Directors, we seek individual permission to share this data on an annual basis. As a UK-listed company, we use the UK Office of National Statistics ethnicity classifications for England and Wales and also allow Directors to self-describe or opt out of sharing this information.

At Spirax Group, we welcome applications from candidates of all backgrounds. We strive to maintain recruitment processes that are fair, inclusive and free from bias. We also ensure our employment practices are legally compliant wherever we operate. Our aim is to find the best talent and recruit the best person for the job, whatever the role. After all, being able to benefit from a great diversity of talented colleagues makes us a stronger business.

As 31 December 2025, the Company has met or exceeded FCA targets outlined in UKLR 6.6.6R(9). We surpassed the requirement for at least 40% female Board representation, achieving 45.5% and exceeded the target for at least one Board member from a minority ethnic background, with two of our Board members currently meeting the criteria. We also met the third target of one of the senior Board positions (Chair, CEO, CFO or SID) held by a woman. This commitment is further supported by the FTSE Women Leaders Review, of which Nimesh Patel, our Group Chief Executive Officer, was Co-Chair until February 2026. The Review seeks to increase the representation of women in senior leadership roles in the FTSE 350 and top 50 private companies in the UK. Additionally, two of our Board Committees, the Remuneration Committee and the Colleague Engagement Committee are currently chaired by women: Maria Antoniou and Caroline Johnstone, respectively.

Gender identity

	Number of Board members	% of Board	Number of senior positions on the Board*	Number in executive management	% of executive management
Men	6	54.5%	3	5	55.6%
Women	5	45.5%	1	4	44.4%
Non-binary and other genders	—	—	—	—	—
Not specified/prefer not to say	—	—	—	—	—

Ethnic background

	Number of Board members	% of Board	Number of senior positions on the Board*	Number in executive management	% of executive management
White British or other White (including minority White groups)	9	81.8%	3	8	88.9%
Mixed/multiple ethnic groups	—	—	—	—	—
Asian/Asian British	1	9.1%	1	1	11.1%
Black/African/Caribbean/Black British	1	9.1%	—	—	—
Other ethnic group, including Arab	—	—	—	—	—
Not specified/prefer not to say	—	—	—	—	—

* Group CEO and CFO, SID and Chair.



Ethical Business

Alignment with UN SDGs



At Spirax Group, our approach to governance and risk management is fundamental to how we deliver sustainable value for all stakeholders. Our commitment to ethical business conduct is not just a matter of policy, it is embedded in our culture, decision making and day-to-day operations. The key themes that underpin our approach are:

Sustainable business

Sustainable business is at the heart of our strategy. We recognise that growth must be achieved in a way that is compliant, responsible and aligned with our Group's risk appetite and our Values. Our governance framework is designed to integrate risk management to ensure that every Group company and function operates with a clear understanding of both the opportunities and risks inherent in our activities. During 2025, we began enhancing our enterprise risk framework to align with our **Together for Growth** Strategy, focusing on improving consistency in the way we identify, monitor, report and manage risks internally.

Compliance by design

Compliance by design means ensuring our policies, processes and tools to address the main compliance risks we face are integrated into the way we work. This approach enables us to identify, assess, manage and monitor risks effectively, while ensuring accountability and strategic alignment. During 2025, we continued to make progress on reducing and consolidating the number of banking partners and enhanced our due diligence capabilities on business partners. We also made progress in strengthening alignment across our risk management framework, from risk identification activities to controls and assurance, to more consistently capturing opportunities for improvement. We have also deepened our capabilities in a number of areas including business continuity and cybersecurity to increase resilience, as well as improve the speed and quality of decision making. We initiated reviews of our contracting practices, as well as our compliance frameworks covering economic sanctions and export controls, with a view to strengthening these further.

In addition, we have continued to focus on reducing counterparty risk through our banking relationships and credit assessments of customers.

We know that strong compliance and effective governance allow our Businesses to better assess and manage risks.

A culture of accountability underpinned by core Values

We are committed to fostering a culture of accountability at every level. Leaders and teams are expected to identify, plan, track and measure the initiatives for which they are responsible and to act swiftly if issues arise. Regular business reviews and open channels for feedback ensure that concerns are addressed early, rather than waiting for formal reporting cycles.

We also remind our teams that delivering results 'the right way' is non-negotiable. This means not only achieving financial targets but also ensuring compliance, customer satisfaction and ethical conduct. These messages were delivered to the Group's 60 most senior leaders at our annual Group Leadership Conference. We also reminded them that our Values are the foundation for all our actions as we strive

to be a High Performance, as well as a High Values, organisation.

By applying our Values as a 'north star', we empower our people to make the right decisions, even in complex or ambiguous situations. We are clear that some risks may be worth taking if they are adequately assessed, managed well and help the Group to achieve its objectives, but others, such as legal compliance and ethical conduct, are not.

By fostering a culture where integrity and honesty drive every decision, we aim to protect the Group's reputation, support sustainable growth and create lasting value for our investors and stakeholders.

+ You can read more about our six core Values on the inside front cover and page 64

Internal controls

During the year, we continued to advance our multi-year internal financial controls programme 'G3'. Building on the success of G3 and with the changes to the UK Corporate Governance Code 2024, we have extended its scope to cover material non-financial reporting, operational and IT controls and compliance activities. Together with our ongoing initiative to refresh our approach to risks identification, monitoring and assessment, G3 has driven significant improvements to governance, risk management and internal controls. The initiative broadened the scope of assurance beyond financial processes to encompass operational and compliance areas, supporting readiness for the UK Corporate Governance Code Provision 29 attestation. Key enhancements included a review of and changes to key Risk and Control Matrices (RACMs) for systematic risk identification. In 2026, our focus will be on defining and deploying Key Risk Indicators and Key Performance Indicators to enable more proactive oversight. Risk forums and enhanced escalation protocols improved enterprise visibility and assessment of key risks, providing the ability to ensure alignment with key controls. These measures reinforce resilience, efficiency and robust evidence of control effectiveness across the Group.

The output of the G3 programme will form the basis of our Provision 29 attestation next year.

Whistle-blowing

We encourage colleagues to be vigilant and proactively report any concerns they have. Our independent, third-party whistle-blowing service, Safecall, is available in every country where we work, in the local language, enabling colleagues to report any suspected unethical, illegal or concerning conduct quickly and confidentially.

In 2025, 63 (2024: 71) reports were raised globally via this service. All reports were investigated by senior management and action taken if necessary, with summaries of reports and related actions reviewed by the Audit Committee.

Training

We continue to mandate that all colleagues with a company email address complete our Group Essentials training programme when joining the Group. Training and ongoing learning by all our colleagues help us remain vigilant. By the end of the year over 7,376 (2024: 7,234) colleagues across the Group had completed Anti-Bribery and Corruption training and 6,593 (2024: 6,862) had completed Corporate Criminal Offence training. The Introduction to Sustainability course was completed by 7,942 (2024: 7,546) colleagues and Health and Safety at Work by 7,368 (2024: 7,430) colleagues.

Gifts, Entertainment and Hospitality

In accordance with our Gifts, Entertainment, and Hospitality Policy, we maintain an online Gifts Register. Colleagues are required to record any gifts received or given, to ensure our actions align with Company policy and comply with legal requirements.

One Planet initiatives at a glance

Unless otherwise stated, data on pages 70 and 71 excludes 2022 acquisitions (Vulcanic and Durex Industries), to demonstrate underlying progress against our **One Planet** targets, since the launch in 2021.



Achieve net zero greenhouse gas emissions

Key strategic targets

- Net zero scopes 1 and 2 greenhouse gas (GHG) emissions by 2030, with an interim target of a 50% reduction (compared to 2019) by 2025
- 20% reduction in Group energy use (compared to 2019) by 2025

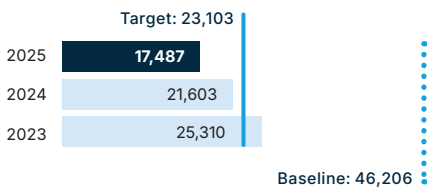
Approved SBTi targets

- Reduce absolute scopes 1, 2 and 3 GHG emissions by 50.4% by 2032 compared to a 2021 baseline
- Net zero GHG emissions across the value chain by 2050

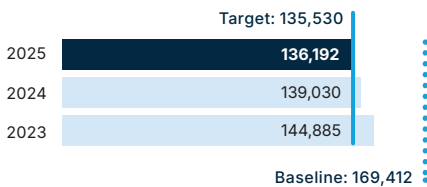
Progress to date

- **62%** decrease in scopes 1 and 2 emissions (market-based) since 2019
- **20%** reduction in Group energy use since 2019
- **87%** electricity from renewable sources in 2025

Group GHG emissions (scopes 1 and 2) tonnes CO₂e (market-based) (excluding acquisitions)



Group energy consumption MWh (excluding acquisitions)



➕ Read more about net zero GHG emissions on pages 72 to 75



Deliver biodiversity net gain

Key strategic targets

- Deliver a biodiversity 'offset' equivalent to 5x our global operational footprint by 2025
- Deliver biodiversity net gain of +10% for all new manufacturing sites and facilities*
- Deliver at least one biodiversity initiative per operating company, on site or in the local community, by 2025

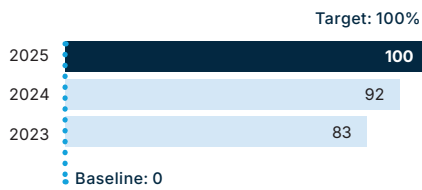
* Quantification of net gain will be focused on large development projects, where locally specific net gain methodologies will be applied, similar in approach to the UK's DEFRA methodology.

Progress to date

- **5x** biodiversity 'offset' of our global operational footprint since 2021*
- **2,756 acres** of land protected since 2021
- **10%** biodiversity net gain achieved and externally verified for three sites
- **100%** of operating companies have delivered at least one biodiversity initiative since the launch of the **One Planet** Strategy in 2021

* Acquisitions included in our operational footprint since 2022.

Operating companies that have delivered a biodiversity initiative cumulative % (excluding acquisitions)



➕ Read more about biodiversity net gain on page 76



Implement environmental improvements in our operations

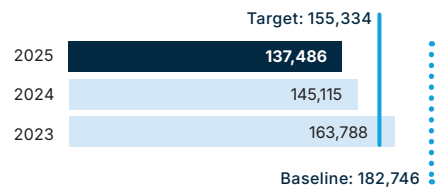
Key strategic targets

- Reduce water consumption by 15% (compared to 2019)
- Achieve zero waste to landfill
- Reduce waste generated by our sites by 10% (compared to 2019)
- All manufacturing sites certified to ISO 14001 standard or equivalent by the end of 2025
- Eliminate the use of solvent-based paints on our sites by the end of 2025 (update: paused in STS and ETS in 2024)

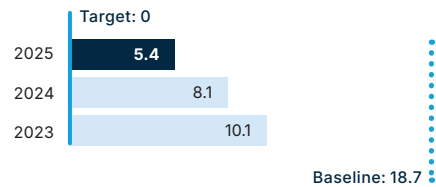
Progress to date

- **25%** reduction in water consumption since 2019
- **5%** waste to landfill in 2025
- **13%** decrease in waste generation since 2019
- **20 (of 23)** manufacturing sites certified to ISO 14001
- All solvent-based paint eliminated in WMFTS

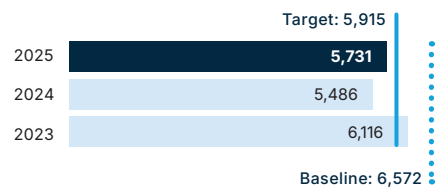
Total water use m³ (excluding acquisitions)



Waste to landfill % (excluding acquisitions)



Total waste generation tonnes (excluding acquisitions)



➕ Read more about environmental improvements on pages 77 and 78



Grow sales of products with quantified sustainability benefits

Key strategic targets

- Quantify the sustainability benefits and whole lifecycle carbon footprint of some existing product groups and all new products
- Grow sales of products with quantifiable sustainability benefits to customers
- Eliminate all single-use plastic (SUP) and non-recyclable packaging by 2025, unless specified by customer

Progress to date

- 27** Life Cycle Assessments completed since 2021
- 14.8 million tonnes** of carbon saved annually by customers purchasing products sold in 2025*
- 204 million** GJ of energy saved annually by customers purchasing products sold in 2025*
- 80.5 million m³** of water saved annually by customers purchasing products sold in 2025*

* From 16 product ranges included in our third-party verified methodology.

[+ Read more about sustainable products on page 79](#)



Embed sustainability criteria in supply chain management

Key strategic targets

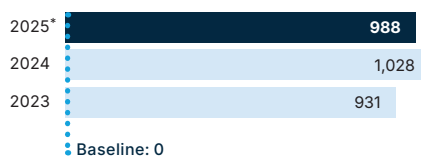
- 80% of strategic and high-risk suppliers assessed as meeting or exceeding our sustainability standards by 2025

Progress to date

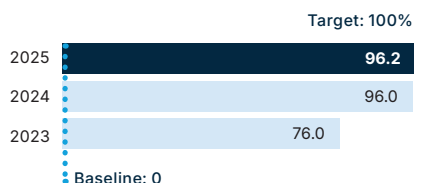
- 988** strategic suppliers in the Supplier Sustainability Portal who are required to complete a full assessment and **c. 2,000** suppliers who we monitor remotely
- 96%** of direct material suppliers have signed the Supplier Sustainability Code (by number)*
- 98%** of direct material suppliers have signed the Supplier Sustainability Code (by spend)*

* Percentage of the total number of suppliers with an annual spend of over £15,000 and all suppliers that are deemed potentially high risk on the basis of geographic location or commodity type.

Number of Strategic Suppliers in the Supplier Sustainability Portal (excluding acquisitions)



Suppliers who have signed the updated Supplier Sustainability Code % (excluding acquisitions)



* 2025 figure reduced due to Operational Excellence supplier consolidation.

[+ Read more about sustainable supply chains on page 80](#)



Support the wellbeing of people in our communities

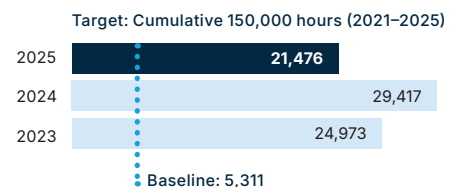
Key strategic targets

- Deliver 150,000+ hours (cumulative) of colleague volunteering globally by 2025
- £2 million of cash or in-kind donations (cumulative) made by our operating companies by 2025
- Establish the Spirax Group Education Fund and donate up to £15 million by 2030

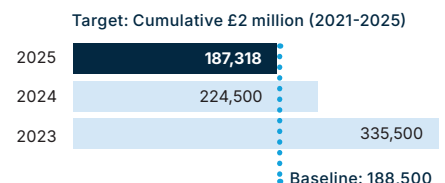
Progress to date

- >109,000** volunteering hours delivered since 2021
- £1.4 million** cash or in-kind donations made by Group companies since 2021
- £4.1 million** donated by the Spirax Group Education Fund, since it began operating in 2022

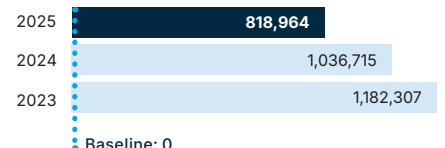
Colleague volunteering hours (excluding acquisitions)



Operating company cash/in-kind donations £ (excluding acquisitions)



Spirax Group Education Fund donations £



[+ Read more about supporting our communities on page 81](#)

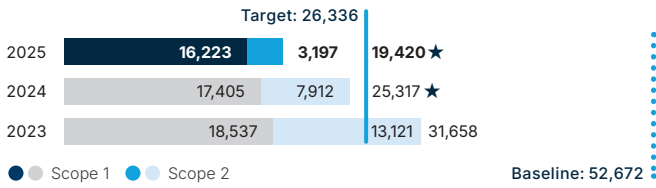
Net zero GHG emissions

Alignment with UN SDGs



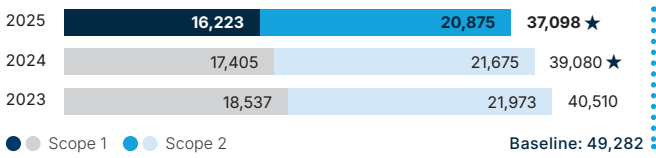
Group GHG emissions (scopes 1 and 2)

tonnes CO₂e (market-based) (including acquisitions)



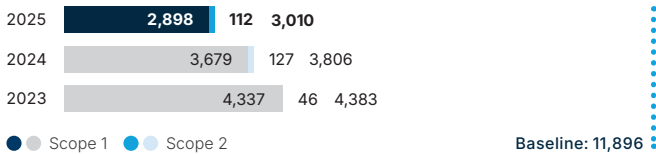
Group GHG emissions (scopes 1 and 2)

tonnes CO₂e (location-based) (including acquisitions)



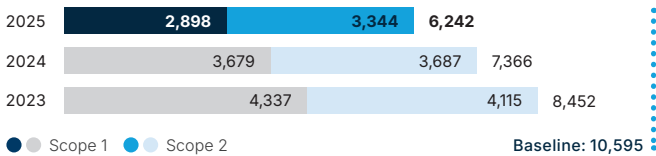
UK GHG emissions (scopes 1 and 2)

tonnes CO₂e (market-based) (including acquisitions)



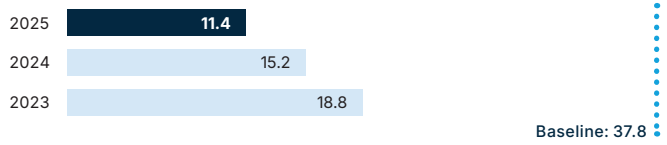
UK GHG emissions (scopes 1 and 2)

tonnes of CO₂e (location-based) (including acquisitions)



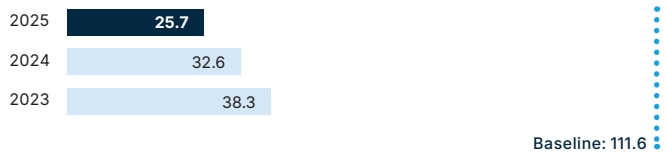
Group GHG emissions intensity (scopes 1 and 2)

tonnes CO₂e per £m reported revenue (market-based) (including acquisitions)



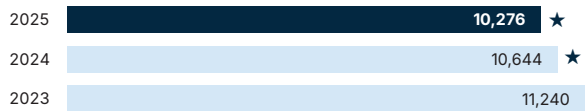
UK GHG emissions intensity (scopes 1 and 2)

tonnes CO₂e per £m reported revenue (market-based) (including acquisitions)



Group GHG emissions (partial scope 3)

tonnes CO₂e (well-to-tank and transmission and distribution losses) (including acquisitions)



Group GHG emissions (full scope 3)

tonnes CO₂e (including acquisitions)



★ Metric assured by Deloitte.

Progress¹

We achieved our **One Planet** net zero interim target to reduce our scopes 1 and 2 emissions (on a market basis) a year early and have continued to make further progress against our 2030 target. Excluding 2022 acquisitions, at 17,487 tonnes CO₂e (tonnes) our emissions were 19% lower than 2024 and 62% lower than 2019.

Vulcanic and Durex Industries, acquired in 2022 and part of the ETS Business, have continued working to meet our standards and adopt our **One Planet** Strategy. Combined, they have reduced their scopes 1 and 2 emissions by 70% since 2019 and 48% since 2024. Including these acquisitions and re-baselining to 2019, absolute Group CO₂e emissions have fallen by 63% since 2019, and 23% since 2024.

In 2025, we benefited from the full-year impact of green energy contracts introduced in 2024 at several sites, including Vulcanic Sonneberg (Germany), WMFTS Shanghai (China) and multiple ETS locations across North America. These efforts, alongside our self-generation capacity, proportionally increased our use of renewable electricity. As a result, 89% of our electricity in 2025 was either purchased or self-generated from renewable sources, increasing from 62% in 2024.

The transition of our global fleet to electric vehicles (EVs) continues to advance, with EVs now comprising 24% of the fleet, an increase from 16% in 2024. This development underscores our continuing commitment to renewable energy solutions and a strategic reduction in fossil fuel dependency.

Greenhouse gas (GHG) emissions Scopes 1 and 2

In addition to the strong progress against our scopes 1 and 2 absolute emissions reduction target, highlighted above, we have seen strong reductions in Group GHG emissions on an intensity basis. Our 2025 emissions were 70% lower on an intensity basis, at 11.4 tonnes per million pounds of reported revenue, (including acquisitions) than our 2019 baseline. Year-on-year, Group GHG emissions were 25% lower on an intensity basis vs 2024 (including acquisitions).

The UK accounted for 15% of our Group GHG emissions in 2025 (including acquisition), with 3,010 tonnes being generated in total and an intensity of 25.7 tonnes per million pounds of reported revenue. These emissions are comprised of 2,898 tonnes of scope 1 and 112 tonnes of scope 2 calculated using market-based emission factors. In 2025, our UK emissions decreased by 21% compared to 2024.

Annealing furnaces, used at our ETS sites, are among our largest energy users and significant GHG emissions contributors. In 2024, we commenced a project to optimise and upgrade these furnaces to reduce their GHG impact and improve manufacturing flexibility. In 2025, new annealing furnaces at Chromalox Ogden, Utah (USA) and Vulcanic Saint-Florentin (France) reduced GHG emissions by approximately 255 tonnes as well as reducing atmospheric gases such as NO_x and fully eliminating the use of ammonia in the Ogden furnace.

Other initiatives across the Group:

- In January 2025, our ETS EMEA manufacturing sites entered into new regional green energy contract agreements, reducing our scope 2 emissions by approximately 1,500 tonnes CO₂e. In addition, during 2025 we realised the full-year benefit of ETS North America green energy

contracts, with an annual reduction of scope 2 emissions of approximately 7,600 tonnes CO₂e

- Our STS colleagues held an EV webinar in February 2025 which was attended by General Managers, Sales Managers, fleet champions and sustainability teams helping drive continued adoption of EV vehicles. During the year our STS sites completed a bottom-up exercise to assess their realistic opportunity to transition to EVs by 2030, supporting net zero modelling during the **One Planet** refresh

Deloitte has provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 (ISAE 3000) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) over selected GHG metrics for 2025, identified with ★. Deloitte's full unqualified assurance opinion, which includes details of the metrics assured, can be found at spiraxgroup.com/sustainability-downloads.

Scope 3 emissions

Given the complexity involved in calculating scope 3 emissions, we report our full scope 3 footprint with a one-year time lag. In 2024, our total Group scope 3 emissions were 22.8 million tonnes CO₂e including acquisitions. Our total Group scope 3 emissions decreased by 13% compared to 2023, driven by grid greening and sales mix. Grid greening will continue to be essential for achieving our 2050 net zero emissions target. However, as this is outside of our control, we focus our scope 3 reduction efforts where we have influence and can collect robust data. Good progress has been made in improving the accuracy of data in key categories, particularly category 1 (purchased goods and services) and category 4 (upstream transportation and distribution). However, our scope 3 reporting still relies heavily on estimates and assumptions.

In 2024, 97% of our total scope 3 emissions were category 11 (use of sold products), primarily from products sold by ETS. These products transfer electric energy in the form of heat into industrial processes. When calculating these emissions, we apply local grid emissions factors for all products sold, which is likely to over-estimate emissions as an unknown proportion of customers will use green energy to power their sites.

Achieving our 2050 net zero target will depend largely on global grid greening because the transition will help reduce emissions linked to our customers' electricity use. In addition, as data availability matures, we may incorporate customer-specific emissions factors, reflecting their green energy contracts and actual product usage data, which would further support emissions reductions.

During the year we participated in various peer working groups, policy consultations and industry body forums (e.g. Electrify Industry – UK, Renewable Thermal Collaborative) and aim to use advocacy and thought leadership to help influence externalities such as grid greening and the energy efficiency movement, which will benefit both us and our value chain with their decarbonisation ambitions.

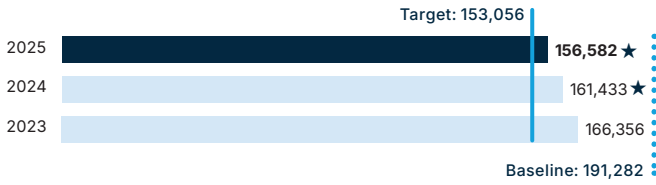
¹ All GHG and energy data pre-2023 labelled as 'including acquisitions' has been restated to include Vulcanic and Durex Industries using estimated data, with actual data for Vulcanic and Durex Industries included from 2023.



Net zero GHG emissions continued

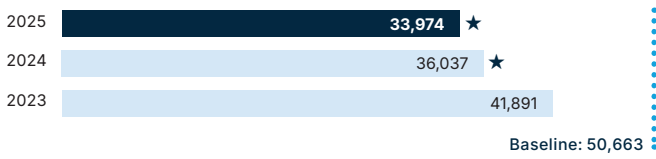
Group energy consumption

MWh (including acquisitions)



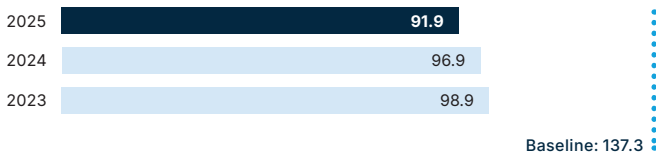
UK energy consumption

MWh (including acquisitions)



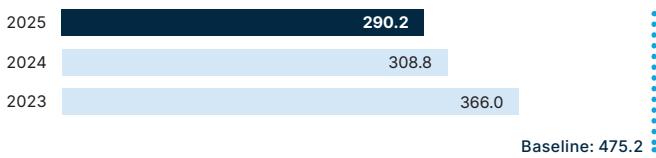
Group energy intensity

MWh per £m of reported revenue (including acquisitions)



UK energy intensity

MWh per £m of reported revenue (including acquisitions)



★ Metric assured by Deloitte.

Energy performance and management

Total Group energy use decreased by 2% against 2024, with a 20% reduction since 2019, excluding acquisitions. Including acquisitions, total Group energy use decreased by 3% compared to 2024 and was down 18% against 2019, with 2019 re-baselined to include acquisitions to allow like-for-like comparison.

The UK accounted for 22% of the Group’s total energy usage in 2025, including acquisitions, at 33,974MWh, and decreased by 6% compared with 2024 and was 33% lower than 2019.

On an intensity basis, year-on-year Group energy use decreased by 5% to 91.9MWh per million pounds of reported revenue and UK energy use intensity decreased by 6% to 290.2MWh per million pounds of reported revenue, both including acquisitions. Energy intensity for the UK is high compared to the Group as a whole as we develop, test and manufacture products in the UK for sale across global markets.

We have continued the roll out of Strata, our digital energy monitoring and metering system, across our legacy and key acquisition sites, with six ETS sites being added in 2025. These ETS sites have monthly monitoring and data governance calls with their sustainability teams to review the live data, identify future areas for improvement and ensure the efficacy of reduction projects in place. Digital metering and monitoring are now in place in 31 of our 33 manufacturing sites and are supporting the energy reductions we are seeing across our global operations.

Other initiatives across the Group included:

- At ETS Chromalox Ogden, Utah (USA) a retrofit of an Exothermic Atmosphere generator led to a 12% reduction in natural gas. At Chromalox La Vergne, Tennessee (USA) our team implemented weekend temperature setbacks which have led to an annual 13% energy saving
- At our WMFTS sites in Devens, Massachusetts (USA), Falmouth, Cornwall (UK) and Huddersfield (UK), our solar panels have produced 1,442MWh of electricity, supporting increasing demands for electricity as production output increases. Devens also started implementing an energy reduction plan focused on areas such as the cleanroom Heating, Ventilation and Air Conditioning (HVAC) system where best practice and learnings from across the Group have been shared. WMFTS Bredel (Netherlands) made considerable energy savings by installing a new air extraction unit in the paint shop and insulating boiler house piping
- Aflex Hose Limited (UK), part of WMFTS, achieved energy reductions through efficiency initiatives including a heat recovery project, reducing fan speeds and introducing weekend setbacks on air handling units
- In STS efficiency improvements were made in China, Argentina and Blythwood (USA) where boiler operation controls and HVAC configurations were optimised to use less fuel and improve energy efficiency

Transition plan

We have developed a transition plan to support our commitment to achieving net zero GHG emissions across our entire value chain by 2050. Our transition plan sets out the strategic actions, governance frameworks and targets that will guide us in reducing emissions, enhancing resilience and fostering innovation throughout our operations and supply networks. The transition plan, based on our detailed internal roadmap can be found at: spiraxgroup.com/sustainability-downloads

Methodology statement

We employ an 'operational control' definition to outline our carbon footprint boundary. Included within that boundary are manufacturing facilities and administrative and sales offices where we have authority to implement our operating policies. For all entities, we have measured and reported on our scope 1, scope 2 and (partial) scope 3 emissions.

We have used the GHG Protocol Corporate Accounting and Reporting Standard and the GHG Protocol Data Hierarchy, striving for the highest precision possible.

We reference DEFRA factors (2025 Greenhouse Gas Reporting: Conversion Factors 2025) for most scope 1 data categories (including fuel and natural gas). For scope 2 electricity emissions, DEFRA factors are used for the UK; for other countries, the International Energy Agency (IEA) (IEA Emission Factors Package – 2024 edition) and the US Environmental Protection Agency (EPA) (Year 2023 Data) are the primary sources used. Other sources are applied for local scope 2 electricity factors (where appropriate data is not published by DEFRA, IEA or EPA), for fugitive emissions and for heating oil. These collectively represent under 2% of scopes 1 and 2 total emissions. Sources include: Australia – National Greenhouse and Energy Reporting (Measurement) Determination 2008 (compiled 1 July 2024 and 1 July 2025) 2025 and NGER Technical Guidelines. New Zealand – Measuring emissions guide; Canada – 2024 and 2025 UNFCCC Submission; and World Resources Institute 2017, IPCC, UK Government GHG Conversion Factors.

Spirax Group reports fugitive emissions by identifying the types and quantities of refrigerants refilled at all manufacturing facilities, tracking their usage and reporting refrigerant losses from engineer logs and maintenance reports. This is converted to CO₂e by using specific global warming potential (GWP) values. In cases where the actual data is not readily available, Spirax Group estimates data based on previously provided actual data. Fugitive emissions are not material in total when compared to overall GHG emissions.

For scope 1 emissions, we strive to use actual data wherever possible. Where this is not an option we estimate using appropriate assumptions, for example if actual fuel consumption is not available, emissions are estimated based on distance travelled and appropriate emissions factors based on vehicle type or lease mileage data.

To report under the market-based method for purchased electricity (scope 2), we have used the GHG Protocol data hierarchy, striving for the highest precision possible. For sites with green energy contracts, we have obtained emissions factors for the relevant tariff and/or supplier in the first instance, using the residual mix where supplier-specific emissions factors (SSEFs) are not available. For sites without green energy contracts, we follow the data hierarchy and apply location-based factors only where SSEFs or residual mix is not available. When entering new green contracts, we apply SSEFs (where available) from the start of the contract period and do not restate prior years with SSEFs. No certified green energy contracts are included in our market-based figures for 2019.

Scope 3 calculations were completed in accordance with the Greenhouse Gas Protocol and ISO 14064, as the standard recommended by the Science Based Targets initiative (SBTi), and in conjunction with external consultants. The emission factors are sourced primarily from DEFRA, the International Energy Agency (IEA) and the US Environmental Protection Agency (EPA).

✚ For more information please see our Methodology Statement on our website spiraxgroup.com/sustainability-downloads

Focus for 2026

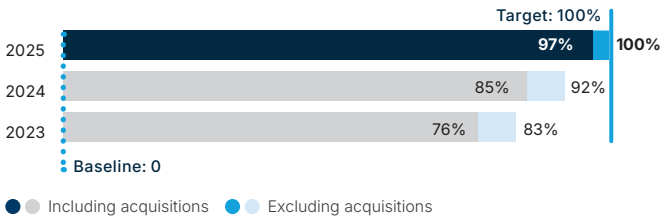
- Manage and optimise our energy use across our global sites, with a focus on 12 priority manufacturing sites, to reduce energy consumption
- Continue to decarbonise our buildings through the delivery of decarbonisation projects (removal of fossil fuels) and renewable energy procurement
- Continue to decarbonise our vehicles with electric and low-carbon alternatives where EVs are not feasible

Biodiversity net gain

Alignment with UN SDGs



Operating companies that have completed biodiversity initiatives % (including acquisitions)



Progress

Operating company initiatives

We have continued to deliver biodiversity initiatives in the communities where we operate. Since **One Planet** was launched in 2021, we have completed at least one biodiversity initiative in 100% of legacy¹ operating companies (2024: 92%), achieving our **One Planet** target and 97% including acquisitions (2024: 85%). Biodiversity initiatives have been completed in all of the countries where we have a direct operating presence (~70 countries) and in total colleagues have completed 455 biodiversity projects globally, since the initiative started in 2021.

Every Drop Counts

In 2025, we organised our third Group-wide community engagement campaign, aligning with one of the UN Sustainable Development Goals (SDGs) and timed to coincide with the International Day of Charity on 5 September. We selected SDGs 6 and 14 (Clean Water and Sanitation and Life Below Water). Our 'Every Drop Counts' campaign encouraged colleagues to engage in environmental or social volunteering, focused on water-related activities, with the Group donating £10 for every hour volunteered with a maximum Group contribution of £10,000. A total of 931 hours were volunteered by colleagues in 46 initiatives.

For example, at Thermocoax Caligny (France), colleagues organised a river clean-up in September, with 21 volunteers including colleagues, local authority representatives, an environmental association and students from a local school. Together, they collected 492kg of waste from the Noireau River, including scrap metal, tyres, concrete, wood and recyclables.

Biodiversity net gain

Since 2021, we have undertaken substantial building projects on five sites: Spirax Group Headquarters, Cheltenham (UK), WMFTS Devens, Massachusetts (USA), ETS Chromalox Ogden, Utah (USA), WMFTS BioPure (UK) and Thermocoax (France).

We originally planned to deliver 10% Biodiversity Net Gain (BNG) across all five sites. However, as construction was already underway at our BioPure and Thermocoax sites when the target was developed, we subsequently found that we could not access accurate pre-construction baseline biodiversity data, making it very difficult to measure, quantify and externally validate net gain. While both sites have implemented significant measures to restore and improve biodiverse habitats, due to methodological challenges we have not sought external confirmation that they have met the net gain target.

Of the remaining three sites, all of these achieved BNG by the end of 2025:

- At our Group Headquarters in Cheltenham (UK), our BNG scheme included the creation of a pond, planting of trees and wildflower meadows and the installation of bird, insect and hedgehog boxes to support local biodiversity and ecosystem health. A formal assessment by an independent third-party ecologist was carried out during 2025 and confirmed that the target has been met, with 10.8% BNG achieved
- Similarly, WMFTS Devens and ETS Chromalox Ogden in the USA have worked with consultants to improve biodiversity to align with the BNG criteria. During 2025 we received confirmation that Devens has achieved the target with an 11.7% net gain through a comprehensive landscaping programme and Ogden achieved a net gain over 10% through onsite and offsite actions

Biodiversity operational footprint 'offset'

We have completed our biodiversity 'offset' with the World Land Trust, in Argentina, meeting our **One Planet** target to deliver a 5x 'offset' of our global operational footprint. In 2025, this included protecting an additional 550 acres of biodiverse habitat, equivalent to our global direct operating footprint at the end of the year. This takes the total land area protected to 2,756 acres, or over 11 square kilometres, over the past five years.

¹ Legacy companies are all companies in Spirax Group before Vulcanix and Durex Industries were acquired in 2022.

Focus for 2026

- Although biodiversity will no longer be a specific **One Planet** initiative following our refresh, it has become embedded in business operations. We will continue to deliver 10% biodiversity net gain on sites where we undertake substantial building projects and operating companies will continue to undertake biodiversity initiatives as part of their volunteering projects

+ Read more about Biodiversity on our website spiraxgroup.com/biodiversity

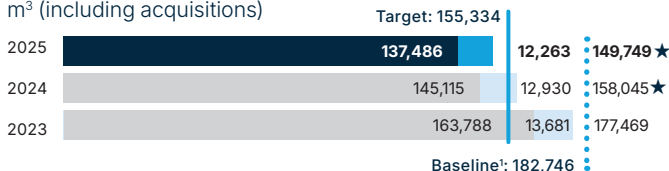
Environmental improvements

Alignment with UN SDGs



Total water use

m³ (including acquisitions)

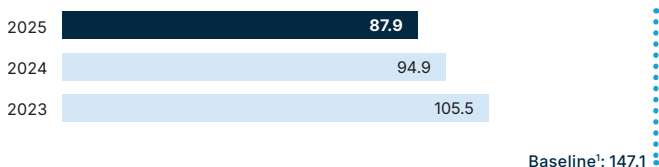


● Legacy companies ● Acquisitions

★ Metric assured by Deloitte.

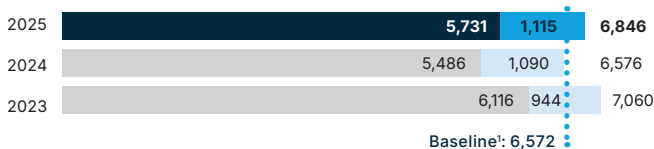
Water intensity

m³ of water per £m of reported revenue (including acquisitions)



Total waste generation

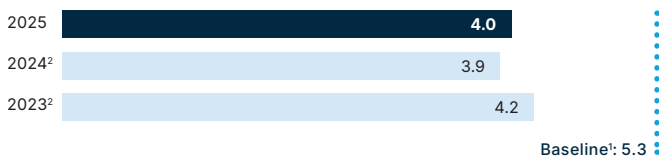
tonnes (including acquisitions)



● Legacy companies ● Acquisitions

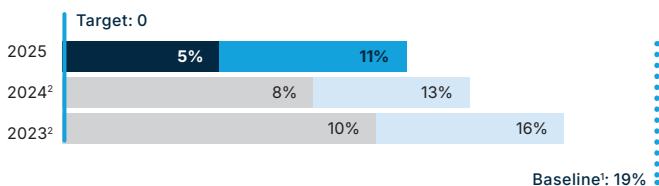
Waste intensity

tonnes of waste per £m of reported revenue (including acquisitions)



Waste to landfill

% (including acquisitions)



● Legacy companies ● Total Group, including acquisitions

Progress

In 2025, we further improved our management of water and waste. On a like-for-like basis, excluding our 2022 acquisitions, we have exceeded our 2025 water reduction target, with a 25% reduction since 2019. Including acquisitions without re-baselining, we have reduced water use by 18% over the same period. For waste, we have also exceeded our reduction target with a 13% reduction since 2019 excluding acquisitions. However, including acquisitions there is an increase of 4% over the same period as we have not rebaselined the data.

For the second consecutive year, ETS Chromalox Ogden, Utah (USA), one of the Group's largest and most complex manufacturing facilities, was awarded the large company Environmental Stewardship Award by the Utah Manufacturers' Association. This award recognises organisations that demonstrate operational sustainability and the ability to manufacture products through economically sound and environmentally responsible processes. The achievement reflects the continued dedication and hard work of our Ogden team in advancing sustainable manufacturing excellence.

In addition, Spirax Group was ranked in the top three companies in the UK, as part of the 2025 Britain's Most Admired Companies awards in the 'Reducing Environmental Impact' category. The awards recognise companies that have a strong commitment to sustainability and environmental responsibility and that take action to reduce emissions, waste and resource consumption, integrate environmental considerations into business strategy and operations, as well as demonstrate measurable progress and transparency in reporting.

ISO 14001 Certification

By the end of 2025 22 of our 33 manufacturing sites, including acquisitions, had accreditation to environmental management standard ISO 14001 (20 of 23 sites excluding acquisitions).

Chromalox Wujiang (China) and WMFTS Devens, Massachusetts (USA) achieved accreditation for the first time in 2025 and of the three remaining legacy sites, we expect Chromalox La Vergne, Tennessee (USA) and Chromalox Nuevo Laredo (Mexico) to obtain accreditation in the first quarter of 2026. The certification of Chromalox Ogden, Utah (USA) was paused during the site expansion to prevent the need for recertification once fully operational. During 2026, we will recommence preparation for accreditation.

Vulcanic and Durex Industries were acquired in 2022, after the **One Planet** Strategy was in place, but these sites have also been working towards ISO 14001 certification. Vulcanic Hagenau (Germany) and Vulcanic Montornes de Valles (Spain) are now certified, while Vulcanic Torrelavega (Spain) and Vulcanic Sonneberg (Germany) plan to complete the certification process in early 2026. The remaining Vulcanic manufacturing sites are working towards certification along with our Durex Industries (USA) manufacturing site.

1 Baseline doesn't include acquisitions data.

2 2023 and 2024 restated due to more accurate data reporting.



Environmental improvements continued

Water

With a total consumption of 149,749m³ in 2025, including acquisitions, water use was 5% lower than in 2024. Excluding acquisitions, water use in 2025 was 25% lower than 2019 and, including acquisitions, without re-baselining, water use was 18% lower, meeting our 2019 target despite the material increase in water use that resulted from our increased operational footprint. Our water intensity has decreased by 7% vs 2024 and 40% since 2019 to 87.9m³ per million pounds of reported revenue, including acquisitions.

Our water efficiency improvements have been enabled by Strata, a digital metering and monitoring system developed by Spirax Group company Cotopaxi, which enables sites to monitor real-time performance data, identify inefficiencies and implement targeted improvements. For example, during 2025, Strata allowed us to act quickly when data showed anomalies at two of our Vulcanic sites in Spain and France. Investigations identified leaks which would not have been visible without access to data through Strata.

Across our Businesses, a wide range of other water reduction initiatives have been undertaken or are underway, such as site water recycling at Thermocoax (France) and an expansion of water submetering at WMFTS Devens, Massachusetts (USA). The grey-water system installed at our STS site in Chennai (India) in 2024 combined with other water management activities resulted in a 41% reduction in water use in 2025 compared to 2023.

Deloitte has provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 (ISAE 3000) for Spirax Group's water use in 2025, identified with ★. Deloitte's full unqualified assurance opinion can be found at [spiraxgroup.com/sustainability-downloads](https://www.spiraxgroup.com/sustainability-downloads).

Waste

We made further progress in reducing waste that was sent to landfill during the year. Chromalox Ogden, Utah (USA) achieved landfill-free status partway through 2025, as did our ETS sites in Wujiang (China), Heidelberg (Germany) and Normandy (France). Projects in STS' manufacturing site in Buenos Aires, (Argentina) resulted in the site reducing waste to landfill by 36% vs 2024. All WMFTS manufacturing sites are now landfill free.

Excluding acquisitions, the proportion of waste that was sent to landfill in 2025 was 5% (2024: 8%, 2019: 10%). Including acquisitions the proportion of waste to landfill fell to 11% (2024: 13% (restated)). At the same time, our recycling programmes have become more effective, with materials such as scrap metal now being diverted from landfill and being recycled.

Although we have not fully achieved our target of becoming landfill free for all sites by the end of 2025, the sites where this goal was not met were primarily affected by infrastructure challenges and lack of local landfill-free waste management options. For example, in our Mexico operations, one potential solution to achieve landfill-free status involved shipping waste to the USA for recycling, which proved impractical due to both cost and operational efficiency reasons and risked other negative environmental impacts. We will continue to take a pragmatic approach to managing waste and will work with our local waste service providers to help identify alternative waste diversion opportunities.

We have continued to manage waste volumes. Despite this, overall waste generation increased by 4% in 2025 compared to 2024, reaching 6,846 tonnes (2024: 6,576 tonnes (restated)), including acquisitions. This increase is due to increased production at some sites, site clear-outs associated with site closures and improved reporting practices. For example, in 2025, an environmental audit at our ETS Durex (USA) site identified a previously unreported waste stream (sand used during a metal casting process), which led to prior-year restatement. The Group Waste Intensity was 4.0 tonnes per £m reported revenue (including acquisitions) in 2025 (2024: 3.9 tonnes per £m).

Excluding acquisitions, waste generation in 2025 was 13% lower than in 2019, surpassing our 2025 target. Including acquisitions, waste generation was up 4% compared to 2019, as we have not rebaselined the data for a like-for-like comparison.

How we manage and dispose of waste remains a key focus, with renewed emphasis on recycling and diversion from landfill, going forward.

Solvent-based paint transition

Following the installation of a new painting line at WMFTS Bredel (Netherlands), all products manufactured at this site in 2025 were painted using paint that is considered 'water-based' due to the low levels of solvent.

Within ETS and STS, extensive multi-year testing programmes concluded, in 2024, that water-based and low-solvent paints cannot currently meet our quality requirements. For example, testing found that when our products are used in high-temperature environments it could cause problems with paint adhesion. Potential lower-solvent solutions were found but during exhaustive testing the solutions proved to be sensitive to pre-treatment processes, requiring additional processes to meet quality standards. When reviewed carefully, the negative environmental and operational impacts associated with these extra processes were deemed to invalidate the benefits from the lower-solvent levels. As a result, the transition was paused, but we continue to explore options to help us reduce the environmental impact of our paints, whilst meeting our customer and quality requirements. For example, during 2025, we invested in enhanced engineered controls including state of the art filtering and capturing of Volatile Organic Compounds in our painting line at our Chromalox Ogden, Utah (USA) site.

Focus for 2026

- Continue to drive waste management improvements to further reduce waste to landfill across manufacturing sites
- Focused reductions in water consumption across high-consumption manufacturing sites and manufacturing sites located in water-scarce regions
- Continue establishing environmental management systems (ISO 14001) and implement continuous improvement in environmental best practice in our operations

➕ Read more about our environmental improvements on our website: [spiraxgroup.com/environmental-improvements](https://www.spiraxgroup.com/environmental-improvements)

Sustainable products

Alignment with UN SDGs



Progress

Life Cycle Assessments and sustainability scorecards

By the end of 2025, WMFTS had completed Life Cycle Assessments (LCAs) within all but one of the WMFTS pump and fluid path product categories. While the key focus on LCAs has been in WMFTS, a small number of LCAs have also been completed in STS. LCAs have provided comprehensive insights into the environmental impacts of our products throughout their entire lifecycles, from the extraction of raw materials to end-of-life disposal, enabling a more informed and strategic approach to sustainability across the portfolio.

LCAs enable us to identify environmental hotspots across the full product lifecycle. By understanding where the hotspots occur, we can prioritise targeted actions that reduce overall lifecycle impacts. These insights currently feed into our sustainability roadmaps and New Product Introduction process to inform meaningful lifecycle reductions while avoiding burden shifting. The cradle to gate assessment supports clear and credible communication of product carbon footprints to our customers, helping them progress on their own decarbonisation journeys in line with net zero targets. For products where LCAs have already been completed, the results provide an environmental baseline. This allows us to benchmark performance across product families and establish clear reference points against which future improvements can be measured. As products evolve through continuous improvement and New Product Introduction, LCAs enable us to track and demonstrate environmental performance improvements over time, supporting evidence-based decision making and sustainability-led innovation. Specific examples of activities undertaken include modelling the impact of changing the transportation method or the end-of-life disposal method on a product's sustainability performance. In addition, the LCAs have enabled us to develop sustainability scorecards for certain products that will help our customers understand our products better and support their sustainability journeys. During 2025 we published four scorecards for WMFTS products (Certa Compact, Bioclamp, DriveSure and Bredel 40).

Eco-design

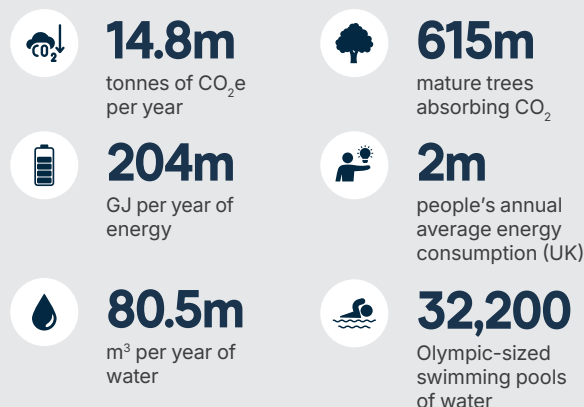
Building on the development of our eco-design toolkit in 2024, we delivered additional training workshops in 2025 to support engineering colleagues across our R&D teams in each Business in applying the toolkit effectively. These sessions were attended by 53 colleagues in 2025. The toolkit is currently being used in five projects to minimise the impact on the environment across the full lifecycle.

Packaging

Whilst we remain committed to reducing single-use and non-recyclable packaging, we have not been able to meet our target to fully eliminate these by 2025. The technical and operational challenges associated with achieving this goal have been more substantial than originally anticipated, largely due to the diverse range of packaging types in use across our sites. This has been compounded by some of our local suppliers being unable to provide suitable sustainable alternatives.

Customer environment benefits

Annual estimated customer CO₂, energy and water savings from a select range of 16 product categories sold in 2025. To put these savings into context, that is the equivalent of:



The methodology used to calculate customer energy, carbon and water savings above has been independently verified by a specialist consultancy, Ricardo Energy & Environment. Only products with savings that can be quantified with a reasonable degree of certainty are included within the scope of this methodology.

Going into 2025, we chose to focus on three specific packaging types, with progress made by all Businesses. STS made significant reductions in plastic packaging, by implementing sustainable alternatives to plastic tape, plastic label holders and foam-in-place packaging. 98% of these items (by weight) were eliminated by the end of 2025 without compromising the customer experience. In total, we estimate that 55 tonnes of plastic packaging, including 794 kilometres of plastic tape, have been removed from our STS operations due to this initiative. STS also has a pilot in progress to replace plastic flange caps with a fully tested and globally available alternative that is made from recycled material and is fully recyclable. In WMFTS six out of the seven manufacturing sites have now transitioned from using plastic tape and document wallets and four out of five manufacturing sites that used foam-in-place packaging have moved over to more sustainable alternatives. WMFTS Flexicon (Denmark) is currently testing a wood-based foam as we continue to explore alternative materials to reduce our plastic use. ETS Chromalox, Heidelberg (Germany) has now transitioned away from plastic packaging (unless there is a specific customer request) and has also introduced product QR codes for all products, replacing printed manuals, with other ETS operating companies also progressing on their roadmaps to eliminate key types of plastic packaging.

Focus for 2026

- Broaden the approach for the quantification of key products and services that have sustainability benefits in line with the **Together for Growth** Strategy
- Continue embedding the eco-design toolkit into New Product Innovation (NPI) processes
- Quantify and rebaseline current packaging targets with a focus on recycled content and recyclability, and aligned with customer needs

+ Read more about our sustainable products and eco-design on our website spiraxgroup.com/en/sustainability/customer-sustainability

Sustainable supply chains

Alignment with UN SDGs



Progress

Supplier Sustainability Code and Portal

During 2025, we remained focused on engaging suppliers, using the data gathered to evaluate supplier sustainability performance and verifying evidence to ensure compliance with our minimum standards. We have established minimum compliance thresholds for key areas, including labour rights, human trafficking and slavery, human rights and organisational commitment, which, over time, we would expect all suppliers to be able to demonstrate they meet.

In 2025, 96% of direct material suppliers had signed our Supplier Sustainability Code (Code) which accounts for 98% of direct material spend. Given the dynamic nature of our supply chain, achieving 100% sign-up to our Code is unlikely at any given point in time. Through our Supplier Sustainability Portal (Portal), in 2025, we requested 1,105 strategic or higher-risk suppliers to complete modules covering social and environmental topics, uploading evidence to demonstrate they are meeting our required standards. Module completion is reset annually in July, with progress tracked to encourage continuous improvement. At the end of 2025, six months into the current cycle, 49% of participating suppliers had completed at least one module and 32% had completed all six. At the end of 2025, the aggregated performance scores of suppliers who had submitted responses in the Portal had improved by 14% compared to the same period during the previous year. During 2025, a supplier in Taiwan was investigated for a potential breach of our minimum standards, when a minor infringement was found to have occurred. We are now working with the supplier to put corrective actions in place. This incident demonstrates that our supply chain assessment and monitoring measures are effective and contribute to risk reduction.

In addition to asking 1,000 suppliers to participate in the Portal, we remotely monitor them and an additional 2,000 suppliers. Using digital tools, we track a wide range of media sources to identify potential issues, such as environmental fines, health and safety incidents or ethical breaches.

Corrective actions

We continued to identify and engage with suppliers that have not provided sufficient evidence of compliance with our minimum standards, largely due to gaps in their risk management policies and procedures. We have set clear expectations for improvement and are providing targeted guidance, including examples of best practice, to help them build more robust and sustainable operations.

During the year we assigned 178 corrective actions to 40 suppliers identified as having opportunities to improve their performance. These actions were a mix of standard measures generated through the Portal and tailored interventions developed in house to address specific supplier contexts. We selected suppliers based on risk indicators and gaps in evidence of meeting our minimum human rights standards. To measure impact, we plan to directly compare these suppliers' scores in 2026 with those from 2025.

In 2025, to support the effective implementation of supplier corrective action plans, we provided targeted training for 20 colleagues in procurement roles equipping them with the knowledge and tools needed to engage suppliers constructively and monitor progress against agreed actions.

Scope 3 GHG Category 1 products and services

To support reduction of scope 3 greenhouse gas emissions, in 2025 we conducted a detailed analysis of emissions from purchased goods and services (category 1). We identified 119 key suppliers that collectively account for 50% of our emissions in this category. Using data collected through the Portal's Climate Impact Survey, we assessed the climate maturity of these suppliers, including whether they have net zero targets and if those targets are validated by the Science Based Targets initiative (SBTi). From 2026 we plan to work closely with these suppliers to support decarbonisation efforts. For example, in our STS Business, we have started engaging with casting suppliers to review recycling rates, the efficiency of electric arc furnaces and the use of renewable energy.

Spirax Group supply chain risk assessment

In 2025, we commissioned a Group-wide supply chain risk assessment to enhance our understanding of key risks across our global supplier base. This assessment analysed risks by geography, business unit and commodity category, focusing on critical areas such as environmental impacts, human rights and the use of Conflict Minerals. The insights gained will enable us to more effectively identify risk hotspots and prioritise areas for action, strengthening our ability to manage sustainability risks across a complex and evolving supply chain landscape.

Conflict Minerals

We continue to manage Conflict Mineral risks through analysing the data collected in our Portal and through our corrective action plan which is aligned to the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance. We are engaging with suppliers where there is insufficient clarity of sourcing and processing of listed Conflict Minerals in our supply chains. We have also delivered training sessions for colleagues on the importance of managing Conflict Mineral risks.

Modern Slavery Act

We remain fully committed to upholding our responsibilities under the UK Modern Slavery Act and to ensuring that our operations are free from modern slavery. Our latest Modern Slavery Statement is available on our website at [spiraxgroup.com/sustainability-downloads](https://www.spiraxgroup.com/sustainability-downloads).

Focus for 2026

- Continue engaging with the 119 suppliers identified as having a material impact on our scope 3 category 1 greenhouse gas emissions, supporting them in advancing their decarbonisation efforts and tracking progress over time
- Assess higher-risk areas of our supply chain across social and environmental issues and deepen our understanding of sub-tier supply chain practices in specific geographies and commodity groups

➤ Read more about our supply chain sustainability on our website [spiraxgroup.com/en/sustainability/resilient-supply-chains](https://www.spiraxgroup.com/en/sustainability/resilient-supply-chains)

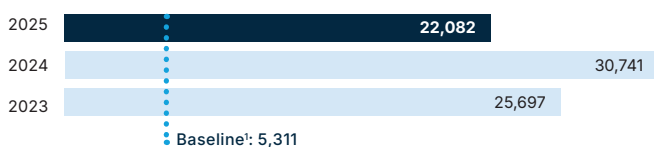
Supporting our communities

Alignment with UN SDGs



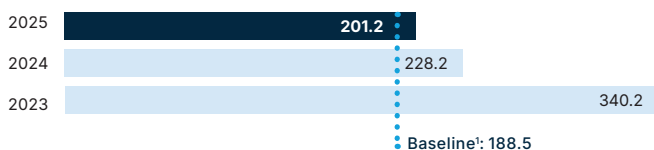
Volunteering hours

hours (including acquisitions)



Operating company cash/in-kind donations

£'000 (including acquisitions)



1 Baseline doesn't include acquisitions data.

Progress

Spirax Group Education Fund

Our Education Fund is overseen by a combination of Company and independent Trustees and is dedicated to promoting inclusive, equitable access to education in the communities where we operate. Its core objectives include increasing diversity in engineering, reducing poverty through education, breaking down educational barriers and improving access for women and girls.

During 2025, the Education Fund approved 38 new grant applications, and donated £562,529 in respect of these, as well as paying £256,435 in respect of multi-year grants. To date 179 applications have been approved from across the Group, covering 38 different countries. The total value of grants paid out since the Education Fund began operating in 2022 is £4,058,532.

Examples of grants made in 2025 include:

- Renovating 45 classrooms at a girls' high school in South Africa, damaged by flooding, benefiting nearly 1,000 girls through improved access to quality education and a better learning environment
- Funding two Afro-Colombian women to complete engineering degrees at university, removing financial barriers to education and supporting greater diversity in engineering
- Equipping a secondary school's Robotics, Design and Animation programme with laptops, a 3D printer, laser cutter and welding machine, benefiting over 250 students with hands-on STEM learning
- Supporting a research-based social skills and emotional learning programme for students with autism and social-emotional learning challenges in the USA

Volunteering

Our colleagues once again demonstrated their commitment to community support, contributing over 22,000 hours to volunteering activities. This brings our cumulative total since the launch of our **One Planet** Strategy in 2021 to c.112,000 hours. While the Group did not meet its strategic target of 150,000 volunteering hours by 2025, we have prioritised a sustainable approach that supports meaningful colleague participation, balanced against meeting customer needs. The Group remains committed to volunteering and will continue to promote the use of the annual three-day volunteering leave entitlement.

In 2025, our colleagues engaged in a wide range of volunteering activities, including tree planting, serving as school governors, supporting local food banks and participating in environmental clean-up efforts. Through these initiatives, they continue to make a meaningful and lasting impact in their communities.

Charitable donations

During the year, our operating companies contributed cash and in-kind donations valued at £201,177, compared to £228,200 in 2024 (both at average currency exchange rates during the year). Since the launch of **One Planet**, our operating companies have donated over £1.45 million to local charitable causes. While this represents a substantial increase compared to pre-2021 levels, we have not achieved our 2025 donation target of £2 million.

During 2025, Spirax Group's Charitable Fund donated an additional £146,000 to a range of local, national and international charities. For example, local charities supported included Cheltenham Open Door, which provides food and support for vulnerable and homeless people, in the communities local to our Group Head Office; national charities supported included Engineers Without Borders UK, which promotes globally responsible engineering; and international charities included WaterAid and UNICEF, which provide clean water, sanitation and hygiene, and protect children's rights and deliver health, education and emergency support globally.

In addition to Company donations, many colleagues participated in Company-organised charitable initiatives, raising a further £36,640 in colleague contributions.

Focus for 2026

- Update the governance, management and application processes for the Spirax Group Education Fund and ensure the continuing impact of the Fund through three refined aims that focus on: STEM diversity, female access to education and removal of financial barriers
- Deliver a Group-wide volunteering campaign aligned to a UN SDG with measurable participation from all regions
- Operating-context appropriate levels of charitable donations and volunteering

➤ Read more about how we support our communities on our website spiraxgroup.com/en/sustainability/stronger-communities

Non-Financial and Sustainability Information Statement 2025

This Annual Report and in particular the Sustainability Report, contains the information required to comply with the Companies, Partnerships and Groups (and Non-Financial Reporting) Regulations 2016, as contained in Sections 414CA and 414CB of the Companies Act 2006. The table below provides key references to information that, in conjunction with the Sustainability Report, comprises the Non-Financial and Sustainability Information Statement for 2025.*

Reporting requirement	Group policies that guide our approach	Information and risk management, with page references
Environmental matters	Group Sustainability Policy Group Environmental and Energy Policy Group Management Code Supplier Sustainability Code	<ul style="list-style-type: none"> + Sustainability Report, pages 60 to 81 + Principal Risks, pages 87 to 91 + TCFD and CFD Disclosures, pages 92 to 100 + Our business model, pages 32 and 33 + Section 172 Statement, pages 8 to 11 + Company Purpose, on the inside front cover
Employees	Group Diversity and Inclusion Policy Group Management Code Group Human Rights Policy Group Sustainability Policy Group Health and Safety Policy – Statement of Intent	<ul style="list-style-type: none"> + Sustainability Report, pages 67 and 68 + Our business model, pages 32 and 33 + Colleague Engagement Committee Report, pages 117 to 121 + Section 172 Statement, pages 8 to 11 + Company Purpose, on the inside front cover
Social matters	Group Human Rights Policy Group Charitable Donations Policy Group Employee Volunteering Policy Supplier Sustainability Code Group Sustainability Policy	<ul style="list-style-type: none"> + Sustainability Report, pages 66, 69, 80 and 81 + Our business model, pages 32 and 33 + Section 172 Statement, pages 8 to 11 + Company Purpose, on the inside front cover
Respect for human rights	Group Human Rights Policy Modern Slavery Statement Supplier Sustainability Code	<ul style="list-style-type: none"> + Sustainability Report, page 80 + Principal Risks, pages 87 to 91 + Risk Management, pages 84 to 86
Anti-corruption and anti-bribery matters	Group Anti-Bribery and Corruption Policy Group Gifts, Entertainment and Hospitality Policy Group Competition Law Compliance Policy Group Whistle-blowing Policy Supplier Sustainability Code	<ul style="list-style-type: none"> + Sustainability Report, page 69 + Principal Risks, page 91 + Risk Management Committee Report, page 125
Description of the business model		+ Our business model, pages 32 and 33
Description of the Principal Risks in relation to the above matters, including business relationships, products and services likely to affect those areas of risk and how the Company manages the risks		<ul style="list-style-type: none"> + Risk Management, pages 84 to 86 + Risk Management Committee Report, pages 124 to 126 + TCFD and CFD Disclosures, pages 92 to 100
Non-financial key performance indicators		<ul style="list-style-type: none"> + Sustainability Report, pages 60 to 81 + Key Performance Indicators, pages 36 and 37

* The policies listed above can be found on our website [spiraxgroup.com](https://www.spiraxgroup.com). Compliance with our policies is monitored through the implementation of our Sustainability strategy, through our Internal Audit function and locally, by our General Managers.

In line with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, we have disclosed fully against these requirements, which can be found in our TCFD and CFD Disclosures on pages 92 to 100.

Group Governance Policies	
Group Management Code	The Group Management Code sets out our framework for governing the operation of the Group's Businesses. It defines the policies, procedures, internal controls and senior manager certification processes that support compliance across the Group and drive continuous improvement in performance and standards of conduct.
Anti-Bribery and Corruption Policy	We are committed to conducting business with integrity and without tolerance for bribery or corruption. The Group does not enter into contractual relationships with third parties known to engage in corrupt practices and prohibits the giving or receiving of bribes or inducements that may create a conflict of interest. Mandatory Anti-Bribery and Corruption training forms part of the Group Essentials programme and is completed by all new employees, with refresher training undertaken on a biennial basis.
Prevention of Tax Evasion Facilitation	This policy sets out the Group's approach for the management of tax, seeking to reflect good tax governance to prevent the facility of tax evasion. Our Group has zero tolerance for criminal tax evasion and the assistance of others to criminally evade tax.
Group Whistle-blowing Policy	We are committed to conducting business honestly and transparently, in line with the Group Management Code and core Values. A culture of openness and accountability is essential to preventing misconduct and addressing issues promptly when they arise. The Whistle-blowing Policy encourages colleagues to raise concerns about suspected wrongdoing at an early stage, with assurance that reports will be taken seriously, investigated appropriately and handled with due regard to confidentiality.
Competition Law Compliance Policy	We are committed to complying with competition laws in all jurisdictions in which we operate. This policy sets out the standards of conduct and integrity expected of all colleagues and highlights the serious legal, financial and reputational consequences that may arise from breaches of competition law.
Gifts, Hospitality and Entertainment Policy	This policy defines the Group's approach to the giving and receiving of gifts, hospitality and entertainment. It sets out colleagues' responsibilities to ensure that such activities are conducted transparently, proportionately and in a manner that does not give rise to conflicts of interest or perceptions of improper influence.
Charitable Donations Policy	The Charitable Donations Policy establishes the principles governing all charitable and community engagement activities across the Group, including both cash and in-kind contributions. It ensures that donations are made responsibly, transparently and in alignment with the Group's Values and governance standards.
Environmental Policies	
Group Sustainability Policy	The Group Sustainability Policy sets out the standards and commitments that guide the Group's functions, operating companies and colleagues in conducting business in a socially and environmentally responsible manner. While the policy applies directly to the Group's own operations, the Group also encourages suppliers and business partners to align with the principles and standards outlined within it.
Group Environmental and Energy Policy	This policy articulates the Group's commitments under its One Planet Sustainability Strategy focusing on environmental protection, climate change mitigation and the efficient use of resources. It covers key areas including energy and water management, waste reduction and biodiversity enhancement across the Group's operations.
Supplier Sustainability Code	The Supplier Sustainability Code defines the minimum standards expected of suppliers and their sub-tier suppliers when conducting business with the Group. It sets out requirements relating to human rights, health and safety, quality management, environmental sustainability and ethical business practices.
Colleague and Human Rights Policies	
Employee Volunteering Policy	The Employee Volunteering Policy enables all our Group colleagues to take up to three days of paid volunteering leave each year. The policy supports our colleagues who wish to contribute to their local communities and provides a framework to ensure volunteering activities are undertaken responsibly and in line with the Group's values.
Group Health and Safety Policy – Statement of Intent	The Group Health and Safety Policy – Statement of Intent sets out our commitment to ensuring that health and safety remains a core Value and the first consideration in all activities. It defines the responsibilities and standards that Group functions and operating companies are required to uphold to protect our colleagues and others affected by the Group's operations.
Group Human Rights Policy	The Group Human Rights Policy sets out the Group's commitment to respecting and promoting internationally recognised human rights across its operations. The policy applies to all our colleagues and underpins expectations relating to respect, fair treatment, non-discrimination and safe and healthy working conditions.
Group Diversity and Inclusion Policy	We are committed to fostering an inclusive culture in which all colleagues are treated with dignity and respect and are able to contribute and thrive. This policy promotes equal opportunity and seeks to prevent discrimination across all aspects of employment, including recruitment, development and progression. It supports the Group's Values and underpins its approach to building a diverse workforce and inclusive leadership across the Group.

Risk Management

Our approach and risk appetite

Risk is an inherent part of business and achieving our objectives requires us to appropriately manage certain risks. We strive for a balanced approach, protecting our resources while pursuing growth opportunities and staying aligned to our Group’s Purpose, Vision and Values.

Our approach is deliberate and well informed:

- We evaluate our risks
- We assess our ability to control or mitigate these risks
- We consider the ethical and commercial implications of accepting risks

An informed process is crucial for making risk-based decisions. The Board ultimately sets the appropriate risk appetite for our Group, informed by recommendations from the Risk Management Committee which has oversight for the enterprise risk management framework on delegated authority from the Board.

We have low appetite for risks that could result in health, safety, environmental, legal or regulatory breaches, as well as those contributing to climate change impacts.

Conversely, we have a higher appetite for risks related to uncertain economic and political instability, reflecting our experience in volatile markets and established control measures. We also recognise the need to take calculated risks when entering new territories to drive growth, while maintaining strong controls and compliance with applicable laws and regulations.

The Group faces a variety of risks that could impact its operations, financial performance and reputation. These risks include, but are not limited to, market volatility, regulatory changes, cybersecurity threats and operational disruptions. To mitigate these risks the Group has implemented a comprehensive enterprise risk management framework.

The Board, supported by the Risk Management Committee and the Audit Committee, is committed to strengthening its proactive approach to risk management, ensuring that the Group remains resilient and well prepared to adapt to new challenges.

Enterprise risk management governance and framework

The Board provides overall oversight of risk management by:

- Establishing and maintaining an enterprise risk management framework
- Implementing a comprehensive internal control framework
- Conducting independent internal audits

The Risk Management Committee is responsible for monitoring significant risks, ensuring that robust policies and procedures are in place and reporting to the Board on key risks and mitigation actions. Following its review, the Board is satisfied that an effective risk management process exists to identify, assess and manage both Principal Risks and emerging risks.

To discharge these responsibilities:

- The Risk Management Committee oversees the Group’s risk processes and procedures
- This oversight is reinforced by the Audit Committee and the Internal Audit function, which monitor compliance across the Group’s operating companies

The governance framework, illustrated on page 85, shows how risk management is embedded within the Group’s structure.

In line with the continued development of the Group’s governance arrangements, an Audit and Risk Committee will be established from 1 April 2026. The Governance Report provides further details.

To strengthen governance and effectively manage risk, we apply the ‘Three Lines of Defence’ model. This structured framework ensures a clear and co-ordinated approach to risk management and internal control, enhancing our capability to identify, evaluate and address risks across the organisation.

First line of defence

Each Business is responsible for the identification, control and management of its own risks.

Second line of defence

Risk Management, G3 Controls and other second line functions provide oversight and challenge to the first line, monitor compliance with the risk framework and key policies and support remediation and escalation as required.

Third line of defence

Internal audits provide independent testing and verification of compliance with policies and procedures and monitoring of follow-up actions where required.

First line of defence – operating companies

Operating companies are responsible for identifying inherent risks within their business and implementing appropriate controls to mitigate these risks to an agreed residual risk appetite. Continuous monitoring is undertaken to ensure the effectiveness of these controls. In addition, each operating company conducts an annual risk assessment to challenge and validate the robustness of its risk and control framework. Senior management within each Business holds full accountability for risk management.

Second line of defence – Group risk management and control functions

At Group level, the risk management framework and controls management framework (G3) provide oversight and support to operating companies. Functions establish and monitor policies, procedures, risk assessments and control effectiveness across the Group. Through ongoing monitoring and testing, they provide effective challenge to operating companies and drive continuous improvement. Additional oversight is provided by specialist functions, including Legal, Compliance, IT, HR, Group Sustainability, Group Health and Safety and Finance.

The Group's control environment is underpinned by a strong corporate culture and clear 'tone at the top', reinforced through our six core Values, the Group Management Code and mandatory training programmes. Biennial Colleague Engagement Surveys are conducted to provide actionable insights on alignment with these Values. Read more on pages 115 to 121.

Documented policies and procedures, including the Board-approved delegation of authorities, set clear expectations for operating companies and these are periodically reviewed and refreshed.

Effectiveness of the control environment is assessed through annual risk and control self-assessments as well as reviews by Group functions. Oversight of financial and operational performance takes place at both Business and Group levels through quarterly reviews, monthly management accounts and weekly flash reporting.

Safecall, the Group's independent whistle-blowing facility, is managed by the Group General Counsel and is available at all operating sites. It enables colleagues to report concerns confidentially and anonymously. Reported concerns are investigated by the Group General Counsel or another senior manager as appropriate.

Third line of Defence – Internal Audit

Internal Audit provides independent assurance on the effectiveness of the first and second lines of defence. Through regular audits and assessments, it evaluates the adequacy of risk management, control and governance processes, identifying areas for improvement and ensuring robustness.

Internal audits are conducted by the Group's Internal Audit team, led by the Head of Internal Audit, with reports submitted to the Audit Committee and the Board. The Audit Committee also undertakes deep-dive reviews into Principal Risks.

By applying the Three Lines of Defence model, the Group ensures a comprehensive and integrated approach to risk management, fostering accountability, resilience and continuous improvement across all operations.

Governance and compliance

In 2025, we continued to prioritise strong governance and compliance as a cornerstone of effective risk management. This commitment has driven further enhancements to our enterprise risk management and control frameworks through a refresh of our business continuity framework. In line with the Group's **Together for Growth** Strategy, key Growth Drivers including Operational Excellence and Commercial Excellence embed the identification and mitigation of risks.

Managing risks

The following framework illustrates how risk management is governed within the Group's structure:

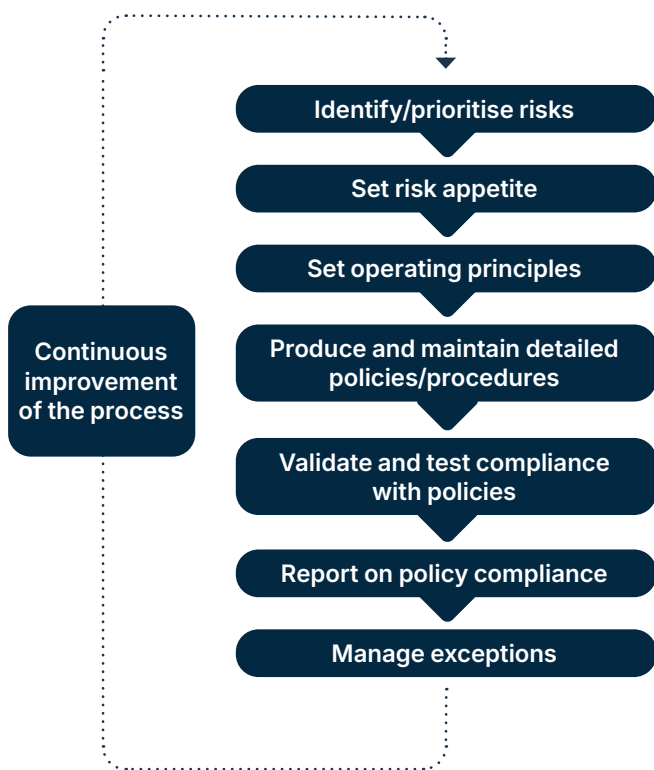


Risk Management continued

Governance and compliance continued

We continued to make significant investments in enterprise technology solutions and strengthened our information security controls to safeguard the Group against evolving threats. Looking ahead, we remain committed to regularly evaluating the effectiveness of our governance and compliance programmes in alignment with our operational and strategic objectives. Our approach ensures that we can adapt swiftly and effectively to the challenges of an increasingly complex and dynamic risk environment, maintaining resilience, increasing agility and supporting sustainable growth.

Continuous improvement model



Our progress

During the year, we updated our Principal Risks following comprehensive top-down and bottom-up reviews, we continued to enhance our enterprise risk management framework and we completed the annual review of our Risk Register. These updates build on the improvements introduced in 2024, ensuring our approach remains robust and forward looking.

Key changes:

- **Significant Exchange Rate Movement** has been reclassified from a standalone Principal Risk to a secondary risk within the broader Principal Risk of **Economic and Political Instability**. This reflects the fact that significant exchange rate fluctuations are often both a consequence and an indicator of economic volatility
- **Cybersecurity**: the risk appetite rating was updated from Very Low to Low. This reflects the rising inherent cyber threat environment, even as we continue to strengthen our own mitigations

This update ensures our Principal Risks remain relevant and aligned with the dynamic external environment and our strategic priorities. The list of remaining existing Principal Risks is unchanged.

We reviewed and updated the year-on-year trend for each Principal Risk, validating Risk Appetite and Risk Velocity ratings to ensure our risk profile remains aligned with the Group’s objectives. Our Principal Risks are set out in more detail on pages 87 to 91.

Emerging risks

We continue to monitor a broad spectrum of emerging risks across operational, financial, strategic, compliance, reputational, market, security and physical domains.

The emergence of AI, with the pace of its development and its impact already evident across multiple facets of society, is an area of focus for our Group and our Board. While we recognise the significant benefits AI can bring to our organisation, we are also aware of the growing risks it poses. In 2025, we have closely monitored developments in AI, initiated training for our Board and Executives and identified the various AI-related opportunities and risks for our Group. We continue to monitor the evolving role of AI across our business and organisation. In 2026, our focus will be on strengthening internal awareness of the risks and opportunities associated with AI within the Group. Additionally, we have initiated a review of our AI governance framework, which will be further developed to ensure the secure, responsible and ethical integration of AI within our operations.

Key areas of ongoing focus during 2025 included:

- **Trade policy shifts**: the evolving landscape of tariffs and protectionist measures, which we monitor closely for potential supply chain implications
- **Geopolitical uncertainty**: ongoing regional conflicts, as well as political changes in key markets, which may affect global trade flows
- **Macroeconomic pressures**: have slowed global growth and increased the risk of financial stress
- **Climate change**: remains an evolving risk and is monitored through our risk framework. We continue to align with the framework established by the Task Force on Climate-related Financial Disclosures (TCFD) to support the transition to a low-carbon economy. Our TCFD disclosures are detailed on pages 92 to 100 of the Strategic Report

In response to climate-related risks, we have continued to advance initiatives to decarbonise our operations, leveraging proprietary technologies and entering into green energy contracts. We have also enhanced our business continuity framework. These actions reflect our Group’s Purpose and commitment to creating long-term value for all stakeholders.

Further reading

- ➕ Risk Management Committee Report See pages 124 to 126
- ➕ Our Viability Statement See page 43
- ➕ Our Going Concern Statement See page 41
- ➕ TCFD Disclosures See pages 92 to 100

Principal Risks

The following pages set out the Group's Principal Risks and describe how these link to our **Together for Growth** Strategy. Each risk is defined, with an explanation of how that risk is evolving, as well as our assessment of risk velocity and risk appetite. Mitigating controls and measures are summarised to demonstrate that the level of residual risk aligns to our risk appetite.

Growth Drivers

- Commercial Excellence
- Operational Excellence
- Organisational Fitness
- Digital and Services
- Decarbonising Thermal Energy

Risk theme	Principal Risk	Growth Drivers alignment
External Factors	Economic and political instability	
Operations	Ageing enterprise systems	
	Cybersecurity	
	Loss of manufacturing output at any Group factory (loss of key supply site)	
Strategic	Failure to realise acquisition objectives	
	Inability to identify or respond to changes in customer needs: digital/non-digital	
Compliance and Responsibility	Breach of legal and regulatory requirements (including ABC laws)	

Risk appetite ratings defined:

Appetite	Description
Very low	Following a marginal-risk, marginal-reward approach that represents the safest strategic route available.
Low	Seeking to integrate sufficient control and mitigation methods in order to accommodate a low level of risk, though this will also limit reward potential.
Balanced	An approach which brings a high chance for success, considering the risks, along with reasonable rewards, economic and otherwise.
High	Willing to consider bolder opportunities with higher levels of risk in exchange for increased business payoffs.
Very high	Pursuing high-risk, sometimes unproven options that carry with them the potential for high-level rewards.

Risk velocity ratings defined:

Velocity	Description	Timeframe
Very low	Very slow impact, response time adequate to mitigate effects.	Felt after 12 months
Low	Slow impact, robust response through strategy may mitigate effects.	Felt within 12 months
Medium	Moderate time to impact, swift and robust response may mitigate effects.	Felt within 6 months
High	Fast impact, immediate response may mitigate effects.	Felt within a month
Very high	Very rapid impact with little or no warning. Limited time to respond and mitigate effects.	Felt within a week

Principal Risks continued

External factors

Principal Risk and why it is relevant	Trend	Risk velocity	Key mitigation, sponsor and explanation of change	Risk appetite rating	Rationale for rating
1. Economic and political instability					
The Group operates globally, including in regions that have historically experienced economic or political instability, which can lead to volatile demand and increased credit, liquidity and currency risks. While results and dividends are reported in sterling, our sales and manufacturing activities are conducted in local currencies across diverse markets. This global footprint inherently exposes the Group to local economic and exchange rate volatility.	→	Very high High Medium Low Very low	<ul style="list-style-type: none"> Resilient business model, strengthened by regular strategic business reviews Diversification across geographies, sectors and manufacturing locations to reduce dependency on any single market or currency Deployment of price management tools Operating in line with the Group Treasury Policy, including currency exchange hedging and cash pooling arrangements Increased liquidity through more headroom on Group debt facilities Strong internal controls, including internal audit and appropriate insurance <p>Executive sponsor: Group Chief Executive Officer</p> <p>Change: No change</p>	Very high High Balanced Low Very low	With our experience and expertise, we are well equipped to manage the unique challenges of operating in economically and politically volatile territories. We accept these risks where the potential for growth outweighs their impacts. While such risks are an inherent consequence of our global presence, our strategic approach and broad geographic spread ensure we are not overly reliant on any single territory.
Growth Drivers alignment:					

Operations

2. Ageing enterprise systems					
Ageing enterprise systems could significantly reduce our ability to operate effectively, harness efficiencies across our Group and manage security risks (including cyber).	→	Very high High Medium Low Very low	<ul style="list-style-type: none"> Operational controls in place through a combination of power protection, backup and disaster recovery, as well as monitoring, to ensure resistant enterprise systems Ongoing infrastructure modernisation programmes to ensure critical physical hardware is current Significant investment in a multi-year initiative to retire ageing IT solutions moving to evergreen cloud solutions, to mitigate the risk of obsolescence Strong IT governance to control changes to enterprise systems <p>Executive sponsor: Group Chief Financial Officer</p> <p>Change: Although this risk has not increased year-on-year, it continues to be managed through both long-term investments to upgrade the IT estate, supplemented by short-term reviews and mitigations</p>	Very high High Balanced Low Very low	The diverse nature of our operating companies and their enterprise systems moderates the degree of risk at the Group level. With continued focus and investment this risk will be further mitigated.
Growth Drivers alignment:					

Principal Risk and why it is relevant	Trend	Risk velocity	Key mitigation, sponsor and explanation of change	Risk appetite rating	Rationale for rating
3. Cybersecurity					
Cybersecurity risks include theft of information, malware, ransomware and compliance with evolving statutory and legislative requirements. Risks may manifest through a direct attack on our business or through our supply chain.	↑	Very high High Medium Low Very low	<ul style="list-style-type: none"> Global assessment of IT environment against the NIST cybersecurity framework Global governance and oversight delivered through the Group IS Security Council, with an embedded risk management framework System access rights regularly reviewed Mandatory cyber awareness training delivered to all colleagues annually Deploying security tools to limit the impact and spread of ransomware Organisational resilience built through an incident response framework, continuous capability testing and crisis simulations <p>Executive sponsor: Group Chief Financial Officer</p> <p>Change: This risk is trending upwards as 2025 has seen a rise in high-profile cyber incidents, severely disrupting operations and inflicting significant financial losses. Cybercriminals are increasingly deploying AI-enabled attacks with increasing sophistication and scale.</p>	Very high High Balanced Low Very low	Our commitment to implementing and maintaining robust security measures across the Group, helps to mitigate the risk of a successful cyber attack.

Growth Drivers alignment:





4. Loss of manufacturing output at any Group factory					
A loss of manufacturing output could result from natural disasters, industrial action, accidents or other causes, disrupting our ability to serve customers.	→	Very high High Medium Low Very low	<ul style="list-style-type: none"> Annual risk assessments and business continuity planning Conducting audits/inspections of supply sites Reviewing and maintaining appropriate insurance cover Continuing commitment to employee engagement and appropriate benefits Capacity planning and holding stock in sales companies Investment in sites to open alternative sources of supply <p>Executive sponsors: Managing Directors of STS, ETS and WMFTS</p> <p>Change: No change</p>	Very high High Balanced Low Very low	Our geographic spread of factories, multiple sources of supply and management of stock help mitigate the risk resulting from the loss of output from a single factory. We have a low appetite for this risk due to the potential negative consequences to the Group and its customers.

Growth Drivers alignment:



Principal Risks continued

Strategic

Principal Risk and why it is relevant	Trend	Risk velocity	Key mitigation, sponsor and explanation of change	Risk appetite rating	Rationale for rating
5. Failure to realise acquisition objectives					
Failure to integrate new businesses successfully into our Group could result in poor operational performance, lower returns on our investment, poor talent retention and failure to meet customer needs.	→	Very high High Medium Low Very low	<ul style="list-style-type: none"> Monitoring of performance by the Board against the approved investment case Board approval of integration plans for major acquisitions Setting clear acquisition criteria Scrutiny of targets and implementation plans by external advisers and internal experts Building risk mitigation and contingency into our valuation models to protect our return on investment <p>Executive sponsor: Group Chief Executive Officer</p> <p>Change: No change</p>	Very high High Balanced Low Very low	Through due diligence and integration planning, we aim to mitigate many of the potential risks of an acquisition.
Growth Drivers alignment: 					
6. Inability to identify or respond to changes in customer needs: digital/non-digital					
Inability to meet our customers' needs could lead to a reduction in demand over time.	→	Very high High Medium Low Very low	<ul style="list-style-type: none"> Direct sales model serving customers New product ideas generated by market development managers in collaboration with sales engineers and customers Competitor analyses to identify technology and service risks Digital and Services Growth Driver supports development of new solutions <p>Executive sponsors: Managing Directors of STS, ETS and WMFTS and Group Digital Director</p> <p>Change: No change</p>	Very high High Balanced Low Very low	The Group continues to focus on engaging customers to understand their evolving needs. We invest in new products and solutions (including digital) as well as developing our sales and technical expertise.
Growth Drivers alignment: 					

Compliance and responsibility

Principal Risk and why it is relevant	Trend	Risk velocity	Key mitigation, sponsor and explanation of change	Risk appetite rating	Rationale for rating
7. Breach of legal and regulatory requirements (including ABC laws)					
<p>We operate globally and must ensure compliance with applicable laws and regulations wherever we do business. As we grow into new markets and territories, we are exposed to more and increasingly complex legislative frameworks.</p> <p>Breaching any of these laws or regulations could have serious consequences for the Group, including fines, loss of business and reputational damage.</p>	→	Very high High Medium Low Very low	<ul style="list-style-type: none"> Ongoing global monitoring of commercial arrangements and agreements, with appropriate professional advice Established procedures to maintain accreditations Biennial Group-wide ABC training Multi-lingual, multi-national secure whistle-blowing hotline Group Litigation Report and ongoing monitoring of cases Regular updates on Corporate Governance and Stock Exchange rules General Data Protection Regulation compliance plan in place Conducting supplier audits Engaging suppliers to commit to compliance with the principles of the Supplier Sustainability Code <p>Executive sponsor: Group General Counsel</p> <p>Change: No change</p>	Very high High Balanced Low Very low	We abide by the laws, rules and regulations of the jurisdictions in which we operate and given the serious consequences for any breach, we have a very low appetite for this risk.

Growth Drivers alignment:



Task Force on Climate-related Financial Disclosures (TCFD)

In accordance with the UK Climate-related Financial Disclosure Regulations (CFD) and UK Listing Rules UKLR 6.6.6R(8) we confirm that the following pages contain disclosures consistent with the Task Force on Climate-related Financial Disclosures' (TCFD) recommendations and recommended disclosures.

Our approach is fully aligned with 10 of the 11 TCFD recommendations. For the remaining disclosure, 'Metrics and Targets b) Disclose scope 1, scope 2 and if appropriate, scope 3 greenhouse gas (GHG) emissions and the related risks', we report scopes 1 and 2, but report scope 3 with a one-year time lag, due to the complexity of collecting the data within the timeframe of the production of the Annual Report.

We calculated scope 3 emissions for the whole Group for 2024, which can be found on page 73. Scope 3 is highly complex and requires significant levels of estimation where data is not available. We continue to improve our data collection processes for scope 3 and during the year we changed our sustainability data platform which, going forward, will help with managing and collecting data related to scope 3 greenhouse gas emissions.

We review our disclosures against the recommendations of TCFD on an annual basis.

Governance

Describe the Board's oversight of climate-related risks and opportunities

In line with the governance of the new **Together for Growth** Strategy, the **One Planet** Strategy is overseen by one Executive Committee Sponsor, the Group Sustainability Director and one Business Executive Committee Sponsor, with the overall strategy under the sponsorship of the Group Chief Executive Officer (Group CEO). This streamlined approach ensures focused leadership and accountability for our sustainability efforts (see our sustainability governance structure on page 93).

The Group Sustainability Management Committee (GSMC) oversees the implementation of the **One Planet** Strategy and ensures alignment with our sustainability goals. The members of the GSMC (see page 93) met six times throughout 2025 to review strategic progress and materiality, review annual improvement priorities and review and refresh our focus areas going forward. Progress against strategic targets is formally reported to the Group Executive Committee (GEC) at least biannually, with ad hoc updates or strategic discussions embedded in the regular cadence of monthly GEC meetings, when required.

The Board of Directors continued to maintain strategic oversight of the **One Planet** Strategy and topics discussed with the full Board in March and October included progress against climate-related targets, assessing climate risks and opportunities and challenging and approving the refreshed **One Planet** Roadmap with a focus on material topics. In

addition, the Audit Committee received updates in May and December. Audit Committee updates included the regulatory reporting landscape, Spirax Group's readiness for reporting changes, internal data controls and data/reporting team priorities and progress.

During 2025 we refreshed our **One Planet** Strategy to ensure our sustainability ambitions stay aligned with evolving climate science, stakeholder expectations and emerging environmental challenges. The **One Planet** Strategy (to be known as the **One Planet** Sustainability Roadmap) will continue to support the delivery of our Growth Drivers, enabling us to evolve for tomorrow's world and will be an important mechanism by which we seek to mitigate climate-related risks and maximise climate-related opportunities, complementing our **Together for Growth** Strategy which focuses on revenue growth, building on our strong foundations as a Group.

Supporting customers on their decarbonisation journey is a significant element of both our STS and ETS Business strategies and is a designated strategic Growth Driver within the **Together for Growth** Strategy. The Board plays a critical role in providing strategic oversight and formally approving the Company strategy and Business-specific implementation plans, with a focus on integrating climate-related considerations into long-term planning. This includes ensuring that robust governance frameworks are in place to identify, assess and manage potential market-based risks and opportunities arising from climate change. Through regular review and engagement with management, the Board helps ensure that the Company remains resilient, adaptable and aligned with evolving regulatory expectations and stakeholder demands in a transitioning global economy.

As the overall sponsor of the **Together for Growth** Strategy, developed in 2024, the Group CEO remains an overall sponsor for **One Planet**. This robust governance structure ensures that sustainability remains at the forefront of our business agenda, driving continuous improvement and innovation.

The Board is responsible for the overall stewardship of strategic risk management and internal controls. The Audit Committee has oversight of the risk review process and reports back to the Board regularly. During 2025, the Audit Committee Chair attended a Risk Management Committee meeting and the Board oversaw the review of and approved the Principal Risks (see pages 87 to 91). This included the presence of climate change on the Group Risk Register, although not a Principal Risk.

Where sustainability, including carbon reduction investments, is part of a large Capex proposal, these investments are approved by the Board. Climate impact is considered as one of the factors when making Capex decisions, which would also include mergers, acquisitions and other business plans. No specific carbon reduction investments were reviewed or approved by the Board in 2025. We have a formal net zero Capex planning process to ring-fence net zero investments during the annual financial planning cycle, with specific net zero investments reviewed and approved by the GEC for inclusion in Plan 2026 including boiler retrofits, air-source heat pumps and electrified HVAC solutions.

Sustainability governance structure



Describe management's role in assessing and managing climate-related risks and opportunities

The Risk Management Committee has responsibility for managing climate-related risks. Sarah Peers, Group Sustainability Director, had specific delegated responsibility for overseeing climate-related risks and mitigation activities in 2025. Through her role as a member of the GEC she ensures that climate-related risks and opportunities are appropriately considered in management's day-to-day operational practices.

During 2025, the Committee reviewed the Group's exposure to risk and sought views of the Group operating companies on the risks that they considered may affect their activities, to ensure visibility of any new or emerging risks. Following this process, the Committee reviewed and confirmed that adequate countermeasures are in place to mitigate the Principal Risks in the Group Risk Register.

Management oversight of climate-related risks and opportunities is embedded within the original and refreshed **One Planet Strategy** and Roadmap and our **Together for Growth Strategy**. Through these, the GEC and Business Executive Committees consider climate-related risks, opportunities, strategic implementation and progress against targets.

Strategy

Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term

✦ The detailed physical and transition risks and opportunities are set out on pages 96 to 100

Describe the impact of climate-related risks and opportunities on the organisation's Businesses, strategy and financial planning

Growing awareness of climate change and customer sustainability targets will continue to provide an impetus for business growth as we provide products, services and solutions that increase efficiency and reduce customers' energy use and carbon emissions. We believe that decarbonisation provides a material opportunity for us and it is a key Growth Driver in our **Together for Growth Strategy**. We have quantified the size of the addressable market as ~£2 billion in relation to the decarbonisation of steam generation and ~£5 billion for the decarbonisation of thermal energy beyond steam, expanding the Group's addressable market from ~£11 billion to ~£18 billion, providing us with the opportunity to capitalise on the decarbonisation trend ahead of us.

As part of our financial planning process, we have an annual financial plan for sustainability which includes planned opex and capex spending on sustainability initiatives. When considering sustainability investments, we prioritise initiatives that deliver the best value of £/tCO₂e saved. In 2022, we developed and commenced implementation of net zero roadmaps across our manufacturing sites and they are delivering excellent progress, ahead of target.

✦ For more information about our net zero roadmap visit our website spiraxgroup.com/sustainability-downloads

Task Force on Climate-related Financial Disclosures (TCFD) continued

Strategy continued

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

With customers in almost all industries worldwide and across 169 countries, steam remains the world's most efficient heat transfer medium for a wide range of applications, with multiple on site uses from the production of foods, beverages and medicines to the generation of power. Our STS products and service offerings are complemented by our ETS Business, allowing us to remain highly resilient and relevant across different climate-related scenarios.

As part of our annual viability assessment, we undertake scenario risk modelling focusing on stress testing the Income Statement and cash flow projections to determine the resulting impact on the Group's debt covenants and liquidity headroom. This enables us to ascertain the potential revenue or adjusted operating profit impacts that could arise from one, or a combination, of the Group's Principal Risks. The key risks associated with climate change are mitigated by management processes for two of our Principal Risks and other relevant risks on the Risk Register. Modelling completed as part of our viability assessment suggests that our Principal Risks do not pose a significant threat to the viability of our Group; therefore, management believes that this also applies to climate risk. For more information see pages 41 to 43 and 124 to 131.

As well as these ongoing risk management and Principal Risk Management processes, in 2023 we worked with Willis Towers Watson to complete quantified scenario analysis for a range of warming scenarios (a below 2°C scenario (1.5°C scenario), a 2–3°C scenario and a 4°C scenario), over multiple timeframes. Physical risks were assessed under current conditions and projected impact in the medium term (2030) and long term (2050). These timeframes align with our **One Planet** Strategy and Roadmap targets and SBTi-approved net zero targets. 2030 aligns with our financial planning for achieving net zero (scopes 1 and 2) and is also within the delivery horizon of our 10-year strategic vision, as defined by the **Together for Growth** Strategy. 2050 aligns with our long-term net zero target (scopes 1, 2 and 3) and is also sufficiently far away to model for the longer-term climatic changes that may impact the Group in the future, without being so far out that the future is increasingly uncertain.

The chosen scenarios were in line with the Intergovernmental Panel on Climate Change (IPCC) representative concentration and shared social economic pathways (RCPs mapped to SSPs) RCP 2.6 (SSP1), RCP 4.5 (SSP2) and RCP 8.5 (SSP5) respectively. The two most extreme upper and lower scenarios were chosen to 'stress test' the impact to the Group under cases of maximum physical risk or transition risk impacts. RCP 4.5 was assessed as a middle scenario.

Physical risks were identified through asset 'exposure diagnostic' analysis for 239 operating locations, made up of sales and manufacturing companies and sites. The climate risks were derived from several data sources including Willis Towers Watson's Global Peril Diagnostic and Climate Diagnostic tools, data from Munich Re hazard databases and research in line with the IPCC reports. The findings were then validated in workshops.

Transition risks were identified and assessed through multiple workshops, drawing on relevant expertise from colleagues from across the Group. For this assessment, one scenario of RCP 2.6 (1.5°C scenario) was considered, as it is under these conditions that transition risks would be most relevant. Transition risk exposure was assessed with a medium-term time horizon of 2030 with impacts being assessed as an annualised amount. Transition risks were not quantified in the longer term due to the difficulty in building assumptions around the direction of policy out to 2050 or beyond; physical risks are anticipated to be more relevant in those timeframes.

In addition, physical risk exposure diagnostic analysis was completed for 45 of the Group's suppliers, which were selected on the basis of spend, strategic importance, geographic location and business coverage.

We plan to undertake another climate risk assessment in 2026.

Risk management

Describe the organisation's processes for identifying and assessing climate-related risks

The Risk Management Committee holds annual top-down or bottom-up reviews that provide information and evaluations that the Committee uses alongside our risk impact, likelihood, appetite and velocity ratings to create an effective system for assessing materiality, monitoring, planning and developing our Group-wide approach and culture regarding risk.

The Risk Management Committee performs a review of all our documented risks, assessing impact, likelihood, control, velocity and appetite for each risk. This process is used to assign the Principal Risks and inclusion of other risks on the Risk Register.

Existing and emerging regulatory requirements related to climate change are considered as part of this review.

Risk velocity was deliberated and approved as a further measure in our Group risk management framework in 2022. Risk velocity ratings were assigned and validated for all Principal Risks in 2025, as set out on pages 87 to 91 and other risks on the Risk Register, including climate change.

Describe the organisation's processes for managing climate-related risks

Materiality for climate change-related risks is based on the enterprise risk management scales used to determine materiality across all of our risk management processes.

Climate change-related risks are currently deemed to be low for the Group, which is based on assessment of likelihood, velocity, impact and control, with climate change not identified as a Principal Risk on the Group's Risk Register.

However, risks associated with climate change, e.g. physical risks such as the impact of a climate-related event on our direct operations, resulting in the loss of a manufacturing site, and transition risks, such as failure to meet changing market or customer needs, are already managed through other Principal Risks on the Group Risk Register. We therefore believe that our risk management processes are adequate and appropriate for the level of risk applicable to our Group.

+ For more information about how we manage risk, see the Risk Management Committee Report on pages 124 and 126

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

Following the risk identification process detailed on pages 124 to 126, the Committee reviewed and confirmed the robustness of the countermeasures that Group operating companies have in place to mitigate the Principal Risks in the Group Risk Register.

Climate change is a risk factor that influences other risks, so control of climate risk is embedded in and managed through other Principal Risks, particularly Loss of manufacturing output at any Group facility, and Inability to identify and respond to changes in customer needs and other risks on the Risk Register, such as Loss of a critical supplier.

Climate change is considered a serious emerging risk, though not currently one of the Group's Principal Risks.

Metrics and targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

We have disclosed cross-industry TCFD metrics used to manage our climate-related risks and opportunities.

Managing our GHG emissions to meet our net zero targets and helping our customers to do the same and mitigate climate risk by working towards realising a low-carbon future.

- Scopes 1, 2 and 3 GHG emissions – pages 72 and 73
- Energy use – page 74
- Proportion of company vehicles that are EV – page 73
- Waste and water – page 77
- Climate-related management remuneration – page 37
- Customer environmental benefits – page 79

Group GHG emissions (scopes 1 and 2) are monitored as one of our Group key performance indicators (KPIs) to measure successful progress against our strategy. See pages 36 and 37 for more information on our KPIs. Given the strong engagement with, and investments in, net zero initiatives across the Group, an internal carbon price is not currently needed. In addition, internally we monitor several opportunity metrics, for example the customer decarbonisation opportunities pipeline in the ETS Business and metrics related to our TargetZero solutions. These metrics are not disclosed externally as they are commercially sensitive.

In December 2023, we received approval from the Science Based Targets initiative (SBTi) for our near and long-term targets and net zero target for 2050, in line with a 1.5°C trajectory. In 2024, we resubmitted our baseline emissions to the SBTi to include 2022 acquisitions and the revised baseline and targets were approved in December 2024.

Disclose scope 1, scope 2 and if appropriate, scope 3 GHG emissions and the related risks

+ Scope 1, scope 2 and scope 3 disclosures can be found on pages 72 and 73

During 2022, we used a third party to help us quantify a full scope 3 baseline figure for 2021. This figure was calculated using GHG Protocol-aligned scope 3 methodologies but is heavily reliant on estimates and assumptions. In 2024, we recalculated our 2021 baseline to include Vulcanic and Durex Industries and calculated our 2023 scope 3 emissions, which was then calculated again for 2024 during 2025. In 2025, we upgraded our sustainability data platform which we anticipate will help with managing and collecting data related to scope 3 greenhouse gas emissions in the future.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

Through our **One Planet** Strategy, we set targets to achieve net zero GHG emissions (scopes 1 and 2) by 2030, and net zero (scopes 1, 2 and 3) by 2050. Since setting these targets, we have had additional targets validated by the SBTi as follows:

- Near-term target to reduce absolute scopes 1, 2 and 3 GHG emissions 50.4% by 2032 from a 2021 base year
- Long-term targets to reduce absolute scopes 1 and 2 GHG emissions 95% by 2050 from a 2021 base year and reduce absolute scope 3 emissions by 90% within the same timeframe, to achieve net zero GHG emissions across the value chain by 2050

+ Progress against our targets can be found on page 73.

The **One Planet** Strategy and Roadmap are central to all of our forward-looking plans. In 2022, measures for the Performance Share Plan (PSP) changed to include a sustainability measure accounting for 20% of the PSP opportunity, dependent on reduction of GHG (scopes 1 and 2) over three-year periods.

+ Progress against our targets can be found on pages 37.

Task Force on Climate-related Financial Disclosures (TCFD) continued

All risk, opportunity and total insured value (TIV) data on this and subsequent pages of the TCFD Report are as assessed in our 2023 climate scenario risk analysis without being updated, unless otherwise stated.

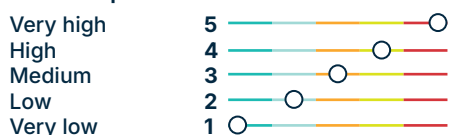
Strategy – Acute physical risks

Acute physical risks are event-driven, specific episodes that have the potential to inflict significant physical damage.

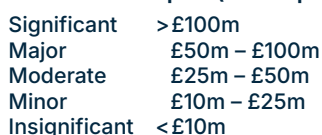
Risk/opportunity	Description	How we manage and mitigate this risk	Estimated financial impact	Link to metrics and targets
Flooding: river and flash flooding from precipitation	<p>17% of the Group's operations by TIV, 42 of 239 locations, are currently exposed to the risk of river flooding, with 28 sites (13% of TIV value) having 1% likelihood of river flooding in a year. TIV at risk is expected to increase to 19% by 2030 and then remain stable at 19% to 2050 under a high (4°C) warming scenario. The Group has some exposure to heavy rainfall and potential flash floods with 43% of the TIV located in areas exposed to high levels of precipitation, which is forecast to increase slightly to 44% by 2050 under a high-warming scenario. The STS site in Shanghai (China) is the highest-value asset at the highest level of risk.</p> <p>Although several sites have exposure to flooding, the risk and potential impact are still insignificant, with the likelihood of flooding tending towards a 1-in-100-years-type event under a high-warming scenario, RCP 8.5. Under RCP 8.5, it is predicted that by 2050, 5% of our operations will have a 10% likelihood of flooding in a given decade.</p>	<p>These risks are managed through the Principal Risk: Loss of manufacturing output at any Group factory and another risk on the Risk Register: Loss of a critical supplier. To mitigate risk, annual risk assessments are conducted by our insurance partner to ensure we have appropriate insurance cover. There have been no material changes to insurance premiums as a result of climate-related risks in 2025, or recent years.</p> <p>Business continuity planning and capacity planning are used to ensure we have spare capacity at alternative sites and stock is held locally in sales companies. For key commodities, where possible, we seek to maintain dual sourcing to negate the risk from the loss of a critical supplier.</p>	<p>Low-carbon economy (RCP 2.6 – 2030) Hazard exposure </p> <p>Residual risk profit impact </p> <p>Hothouse world (RCP 8.5 – 2050) Hazard exposure </p> <p>Residual risk impact </p>	<p>Insignificant residual risk impact means that we have not identified this as a risk that requires a specific metric or target. The Risk Management Committee reviews risks on an annual basis so a future change in the residual risk impact could lead to the implementation of a specific metric or target.</p>
Windstorm	<p>91 locations (mostly in Europe) are in regions exposed to strong winds (accounting for 51% of TIV), with a 1% annual chance of having severe wind gusts of over 121km/h, with four sites having a risk of winds of 161–200km/h. The highest-value asset currently at risk from windstorm is WMFTS' site in Falmouth (UK). TIV at risk from windstorms is expected to remain stable to 2050 under a high-warming scenario, but the frequency of windstorms is likely to increase over time.</p> <p>Even under a hothouse world scenario, the average annual modelled impact may increase slightly; however, it would still be in the insignificant range as per the Group Enterprise Risk Management (ERM) scale.</p>	<p>This risk is managed through the Principal Risk: Loss of manufacturing output at any Group factory and another risk on the Risk Register: Loss of a critical supplier. To mitigate risk, annual risk assessments are conducted by our insurance partner to ensure we have appropriate insurance cover.</p> <p>Business continuity planning and capacity planning are used to ensure we have spare capacity at alternative sites and stock is held locally in sales companies. For key commodities, where possible, we seek to maintain dual sourcing to negate the risk from the loss of a critical supplier.</p> <p>During September 2025 there was a typhoon in Hong Kong. No property was damaged and business impact was minimal (colleagues worked from home for one day).</p>	<p>Low-carbon economy (RCP 2.6 – 2030) Hazard exposure </p> <p>Residual risk profit impact </p> <p>Hothouse world (RCP 8.5 – 2050) Hazard exposure </p> <p>Residual risk impact </p>	<p>Insignificant residual risk impact means that we have not identified this as a risk that requires a specific metric or target. The Risk Management Committee reviews risks on an annual basis so a future change in the residual risk impact could lead to the implementation of a specific metric or target.</p>

Key:

Hazard exposure



Residual risk impact (annual profit)



Strategy – Acute physical risks continued

Risk/opportunity	Description	How we manage and mitigate this risk	Estimated financial impact	Link to metrics and targets
Fire	<p>12% of the Group's TIV is exposed to at least 20 days per year of fire weather, with ETS Chromalox's Ogden, Utah (USA) site the highest-value asset with some level of risk and Chromalox's Nuevo Laredo (Mexico) site having the highest level of risk but a lower TIV.</p> <p>As global temperatures increase, the likelihood of fire risk is expected to increase with 19% of TIV at risk by 2050 under a high-warming scenario.</p>	<p>This risk is managed through the Principal Risk: Loss of manufacturing output at any Group factory and another risk on the Risk Register: Loss of a critical supplier. To mitigate risk, annual risk assessments are conducted by our insurance partner to ensure we have appropriate insurance cover. We also conduct occasional inspections by local fire officers. Business continuity planning and capacity planning are used to ensure we have spare capacity at alternative sites and stock is held locally in sales companies. For key commodities, where possible, we seek to maintain dual sourcing to negate the risk from the loss of a critical supplier.</p>	<p>Low-carbon economy (RCP 2.6 – 2030) Hazard exposure </p> <p>Residual risk profit impact </p> <p>Hothouse world (RCP 8.5 – 2050) Hazard exposure </p> <p>Residual risk impact </p>	<p>Insignificant residual risk impact means that we have not identified this as a risk that requires a specific metric or target. The Risk Management Committee reviews risks on an annual basis so a future change in the residual risk impact could lead to the implementation of a specific metric or target.</p>

Under current conditions, the likelihood of an acute physical risk impacting the Group's direct operations each year is deemed Unlikely and the residual impact (post-mitigation) has been assessed as Insignificant (<£10 million).

+ For more information about the management of Principal Risks, see pages 87 to 91

Strategy – Chronic physical risks

Chronic risks arise from longer-term changes in climate pattern, notably drought, heat stress and sea level rise.

Risk/opportunity	Description	How we manage and mitigate this risk	Estimated financial impact	Link to metrics and targets
Heat stress	<p>Currently 45% of the TIV of the Group's operations (112 locations) is exposed to heat stress, seeing an average of >20 heatwave days in a given year with temperatures in excess of 30°C. This is expected to increase to 55% of TIV at risk from heat stress by 2050, under a high-warming scenario.</p> <p>Examples of high TIV sites currently at risk from heat stress include Chromalox Nuevo Laredo (Mexico), STS (Mexico) and Chromalox La Vergne, Tennessee (USA). Risks from heat stress include increased costs of running heating, ventilation and air conditioning (HVAC) equipment and potential decrease in colleague productivity.</p>	<p>Many of the operations currently exposed to heat stress are in locations where this environment is expected and well adapted for. Changing weather location patterns mean that more sites may move into areas of heat stress that are not currently and these sites may be less prepared.</p> <p>Operations of ETS, STS and WMFTS are exposed. This trend could mean that increased cooling of buildings and machinery might be required to reduce the risk of operational disruption and to improve working conditions for colleagues.</p> <p>As part of continual asset management, energy audit and facilities update processes, systems will be assessed and upgraded where necessary.</p>	<p>Low-carbon economy (RCP 2.6 – 2030) Hazard exposure </p> <p>Residual risk impact </p> <p>Hothouse world (RCP 8.5 – 2050) Hazard exposure </p> <p>Residual risk impact </p>	<p>Insignificant to minor residual risk impact means that we have not identified this as a risk that requires a specific metric or target. The Risk Management Committee reviews risks on an annual basis so a future change in the residual risk impact could lead to the implementation of a specific metric or target.</p>

Key:
Hazard exposure

Very high	5	
High	4	
Medium	3	
Low	2	
Very low	1	

Residual risk impact (annual profit)

Significant	>£100m
Major	£50m – £100m
Moderate	£25m – £50m
Minor	£10m – £25m
Insignificant	<£10m

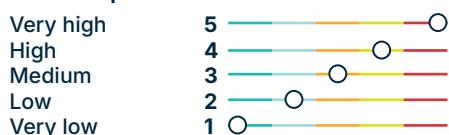
Task Force on Climate-related Financial Disclosures (TCFD) continued

Strategy – Chronic physical risks continued				
Risk/opportunity	Description	How we manage and mitigate this risk	Estimated financial impact	Link to metrics and targets
Drought	<p>Currently 12% of the TIV of the Group's operations (54 locations) are exposed to drought stress with three or more drought months per year. This is expected to increase under a high-warming scenario, reaching 31% by 2050.</p> <p>An example of a high-value asset with a high exposure to drought risk today is Chromalox Nuevo Laredo (Mexico). Drought may impact the availability and quality of water, which could impact manufacturing processes including product testing.</p> <p>Drought has the potential to impact the supply of raw materials where inland waterways are used for transportation, impact electricity availability in locations with a higher reliance on hydropower and increase the risk of wildfires.</p>	<p>The operations of the Group are not generally considered water intensive and therefore the potential impacts may be addressed through adaptation and risk management.</p> <p>Supply of raw materials and electricity is managed through a risk on the Risk Register: Loss of a critical supplier. Mitigation activities under this risk include dual sourcing, managing stock levels for high-risk commodities and in-sourcing production where appropriate.</p>	<p>Low-carbon economy (RCP 2.6 – 2030)</p> <p>Hazard exposure </p> <p>Residual risk impact </p> <p>Hothouse world (RCP 8.5 – 2050)</p> <p>Hazard exposure </p> <p>Residual risk impact </p>	<p>Insignificant to minor residual risk impact means that we have not identified this as a risk that requires a specific metric or target. The Risk Management Committee reviews risks on an annual basis so a future change in the residual risk impact could lead to the implementation of a specific metric or target.</p>
Sea level rise	<p>Risk of exposure from sea level rise is 10% of assets by value, with no change expected to 2050. The STS site in Shanghai (China) is the highest-value asset at risk.</p>	<p>Scenario analysis shows that, due to the location of our sites, our exposure under this risk is not expected to change under a hothouse world scenario. This risk is managed under the Principal Risk: Loss of manufacturing output at any Group facility.</p> <p>To mitigate risk, annual risk assessments are conducted by our insurance partner and we have appropriate insurance cover, including for the total loss of a site.</p>	<p>Low-carbon economy (RCP 2.6 – 2030)</p> <p>Hazard exposure </p> <p>Residual risk impact </p> <p>Hothouse world (RCP 8.5 – 2050)</p> <p>Hazard exposure </p> <p>Residual risk impact </p>	<p>Insignificant residual risk impact means that we have not identified this as a risk that requires a specific metric or target. The Risk Management Committee reviews risks on an annual basis so a future change in the residual risk impact could lead to the implementation of a specific metric or target.</p>

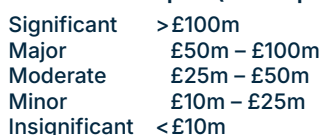
The impacts of chronic risks are likely to differ by location, with some countries already experiencing and managing high levels of heat stress or drought, with the ability to adapt to those conditions. For other locations historically less used to drought or heat stress, the impacts could potentially be more disruptive. However, as we are not a highly intensive user of water and chronic risks can largely be mitigated or adapted, the residual impact (post-mitigation) of chronic physical risks has been assessed as Insignificant (<£10 million).

Key:

Hazard exposure



Residual risk impact (annual profit)



Transition risks/opportunities

Transition risks arise from changes required to facilitate a low-carbon economy.

Risk/opportunity	Description	How we manage and mitigate this risk	Estimated financial impact	Link to metrics and targets
Market transition	<p>The increasing availability of green energy could enable electric heating solutions to replace fossil fuel-derived steam generation where carbon emission concerns override cost differences in the medium to long term (5+ years). This will provide opportunities across all geographical regions and most customer sectors for our ETS and STS Businesses as they combine forces to electrify the generation of steam and decarbonise thermal energy.</p> <p>The increased cost of electricity provision and raw materials provides some risk, as the introduction of carbon taxes could be passed on in raw material spend.</p>	<p>As market leaders in the provision of thermal energy solutions, mitigating this risk and maximising the opportunity are deeply embedded in the core business strategies of both our STS and ETS Businesses. This risk is mitigated through the Principal Risk: Inability to identify and respond to changes in customer needs.</p> <p>Mitigation includes regular voice of customer research and research and development/new product innovation to lead the way in providing innovative solutions to customers.</p> <p>For more information about the management of this Principal Risk, see page 90.</p>	<p>Risk 2025 </p> <p>2030 </p> <p>Opportunity 2025 </p> <p>2030 </p>	<p> Net zero carbon</p> <p> Sustainable products</p>
Technology transition	<p>Costs of upgrading and installing infrastructure to support an electric vehicle (EV) fleet, or costs to transition away from fossil fuel-dependent production equipment.</p>	<p>The transition to low-carbon technology across our operations is embedded in our net zero roadmaps developed by all manufacturing sites and at a Group level. Fossil fuel-dependent systems and processes have been identified and investment plans developed, through annual and medium-term financial planning cycles, to phase the cost of decarbonisation activities over time, reducing risk.</p>	<p>Risk 2025 </p> <p>2030 </p> <p>Opportunity 2025 N/A</p> <p>2030 N/A</p>	<p> Net zero carbon</p> <p> Environment improvements</p>
Reputation	<p>Risk of reputational loss of Spirax Group as a top performing, environmentally sustainable business due to association with fossil fuel-reliant systems over the medium to long term (5+ years). Or, reputational gain as we become known as a leading decarbonisation partner for our customers, as we implement our Decarbonising Thermal Energy Growth Driver through our Together for Growth Strategy.</p>	<p>This very low risk is mitigated by our strong reputation, our innovative product developments, the introduction of our Natural Technology marketing strategy, all of which correctly position steam as a sustainable technology and our own leading net zero commitments and progress against them.</p>	<p>Risk 2025 </p> <p>2030 </p> <p>Opportunity 2025 </p> <p>2030 </p>	<p> Net zero carbon</p> <p> Sustainable products</p>

Key:







Hazard exposure

Very high	5	
High	4	
Medium	3	
Low	2	
Very low	1	

Residual risk impact (annual profit)

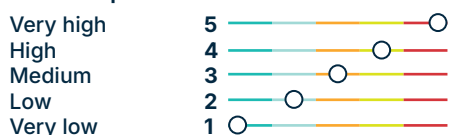
Significant	>£100m
Major	£50m – £100m
Moderate	£25m – £50m
Minor	£10m – £25m
Insignificant	<£10m

Task Force on Climate-related Financial Disclosures (TCFD) continued

Transition risks/opportunities continued				
Risk/opportunity	Description	How we manage and mitigate this risk	Estimated financial impact	Link to metrics and targets
Policy and legal transition	<p>Carbon taxation: in country or at borders, could lead to increased operational costs. For example, the EU's Carbon Border Adjustment Mechanism (CBAM) became effective in October 2023, with a two-year transition period now in operation before carbon taxation commences on high-carbon imports (such as steel, iron or aluminium) into the EU.</p> <p>Building code regulations: policy makers may promote a switch to low-carbon buildings, for new builds or retrofitting old buildings, which could lead to increased costs, such as implementing Minimum Energy Efficiency Standards.</p> <p>Climate change litigation: risk arising from the increasing activism of shareholders or the public against companies for failure to adapt to climate change, greenwashing by overstating positive environmental impacts or understating risks or insufficient disclosure around material financial risks.</p> <p>Waste-related laws and regulation: driven by an aim to increase circularity of the economy, new regulations could impact how we manage waste on our own sites and potentially impact end-of-life treatment of products we sell.</p>	<p>This risk is mitigated through our One Planet Strategy, which includes net zero targets, energy reduction commitments, major decarbonisation projects, conversion to an EV fleet and supply chain management to reduce our scope 3 emissions.</p> <p>We manage and monitor existing and upcoming legislation from a range of sources to ensure that we can proactively respond to upcoming risks.</p> <p>Climate change litigation risk is mitigated by our innovative product developments, the introduction of our Natural Technology marketing strategy, which correctly positions steam as a sustainable technology and our own leading net zero commitments and progress against them.</p>	<p>Risk</p> <p>2025</p>  <p>2030</p> 	 <p>Net zero carbon</p>
			<p>Opportunity</p> <p>2025 N/A</p> <p>2030 N/A</p>	 <p>Environment improvements</p>
				 <p>Sustainable products</p>
				 <p>Sustainable supply chain</p>

Key:

Hazard exposure



Residual risk impact (annual profit)

Significant	>£100m
Major	£50m – £100m
Moderate	£25m – £50m
Minor	£10m – £25m
Insignificant	<£10m