

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