



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:

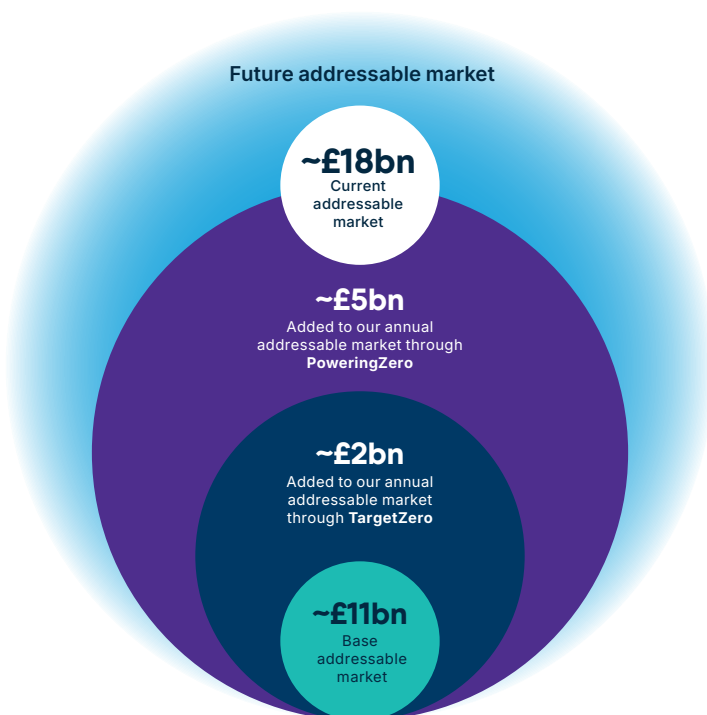
9.7 billion

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.



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.



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.



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.



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.

- 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



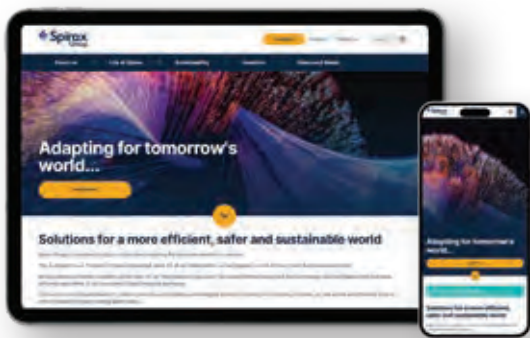
Organisational Fitness

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



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

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.

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

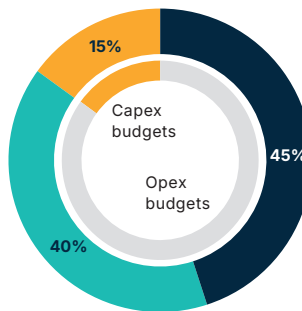
colleagues are in sales and service roles

* 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

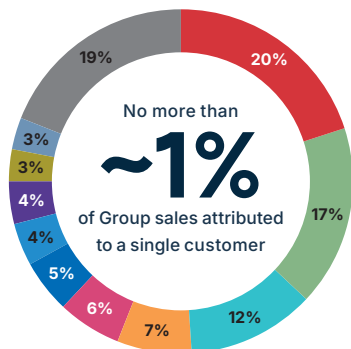
>100k
local customers and significant installed base

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%



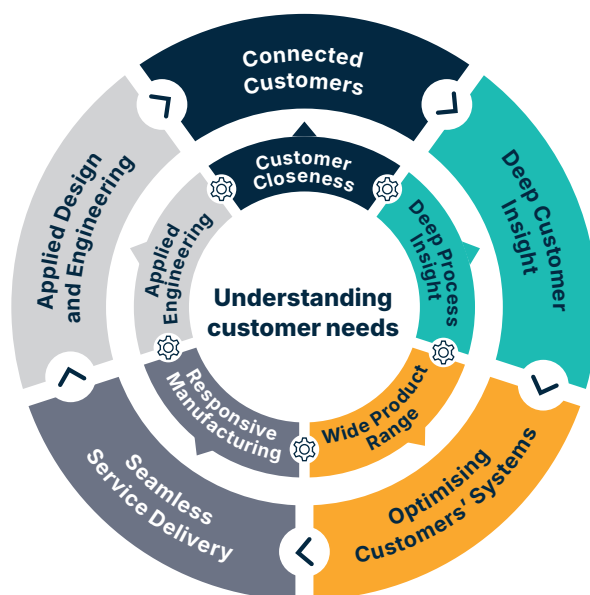
Global reach with a direct local presence

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](#)

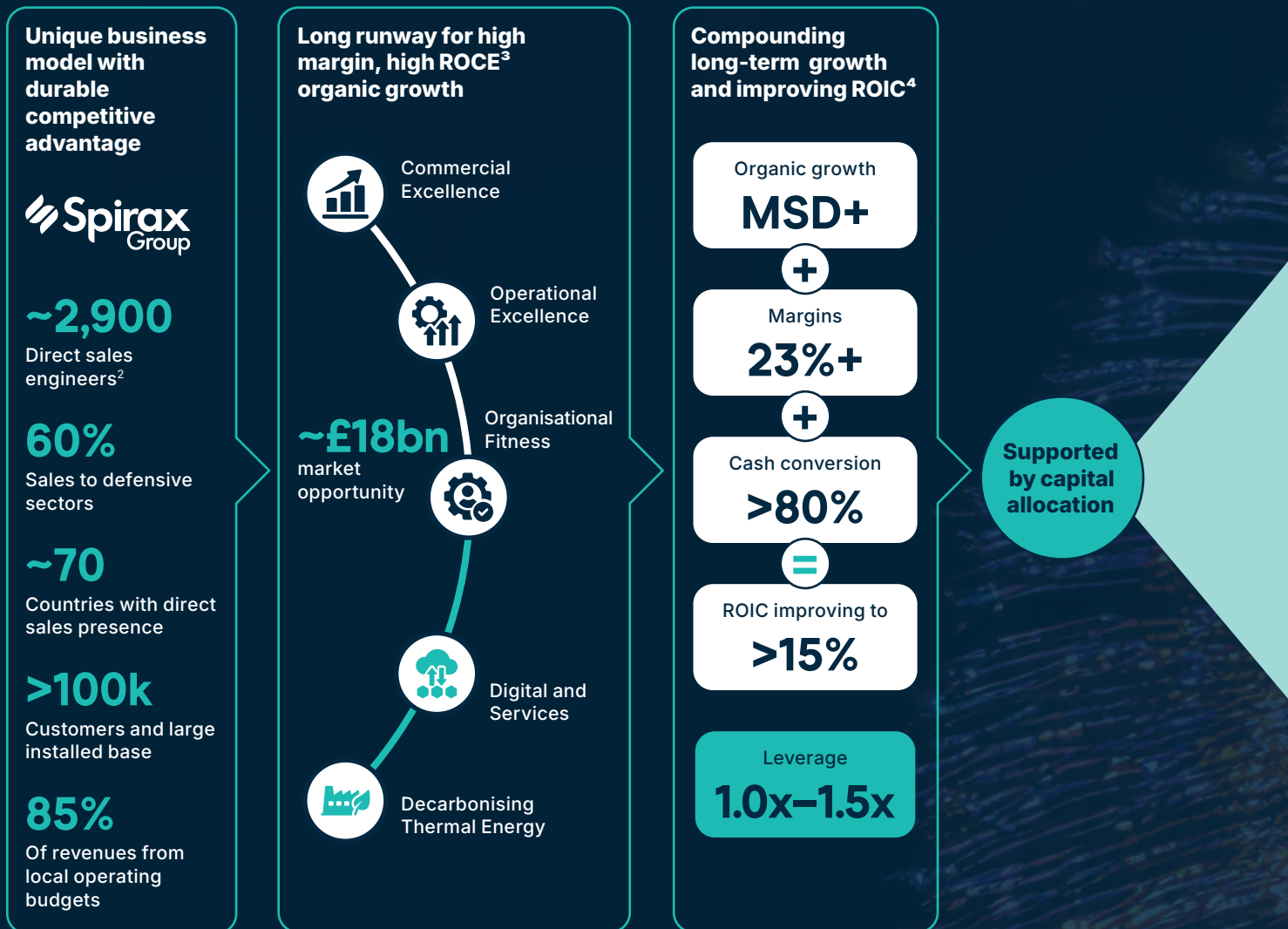
Long-duration compounding growth

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.

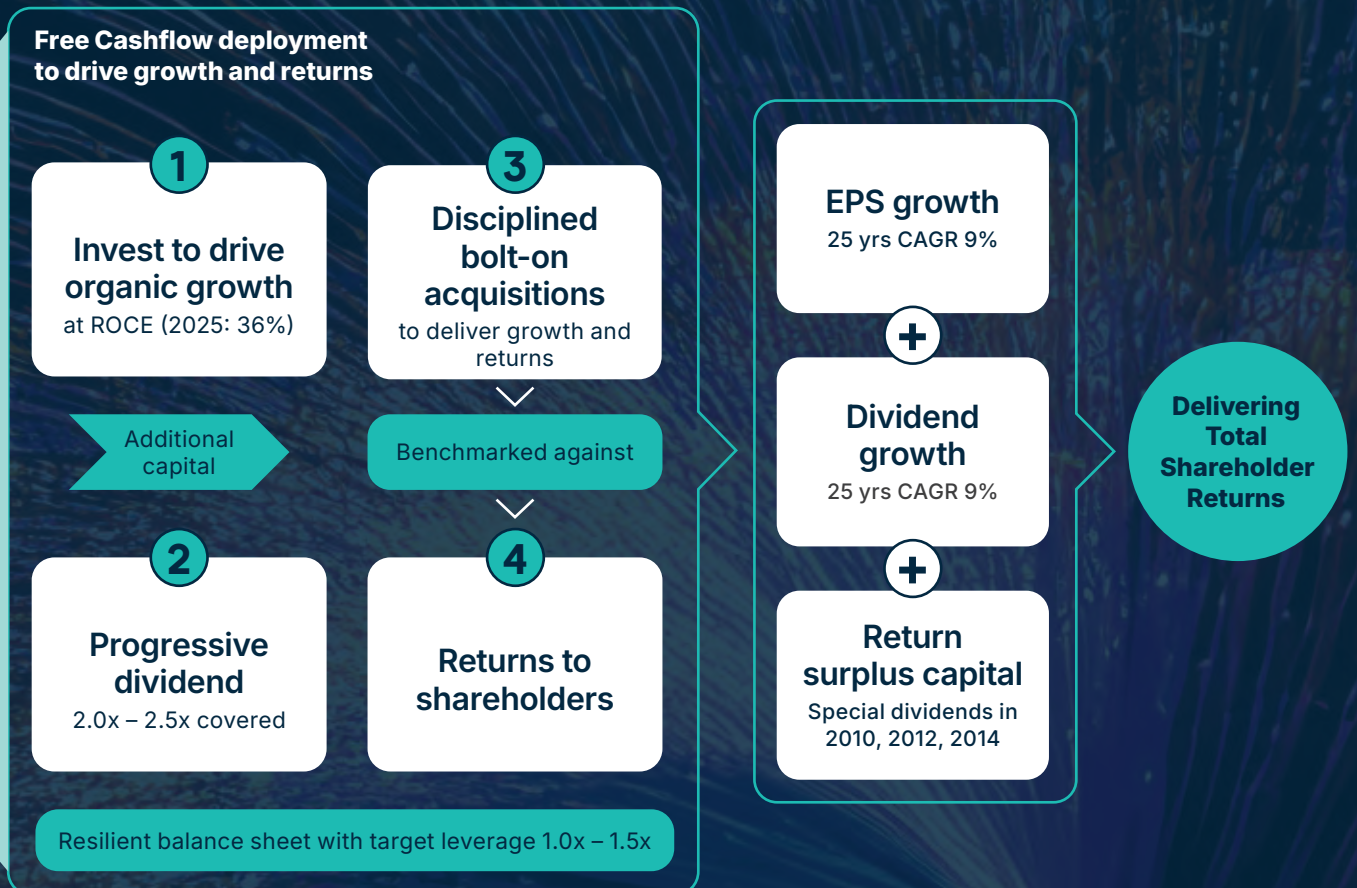
We have a clear hierarchy for the uses of capital aligned with our **Together for Growth** Strategy.

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.

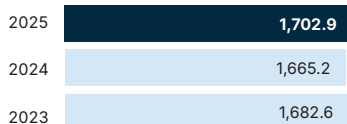
We will apply a risk adjusted approach to assessing our options for the uses of additional capital to enhance earnings growth and return on invested capital (2025 ROIC: 13.1%). These may include bolt-on acquisitions (benchmarked against alternative uses of capital) or additional returns of capital to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



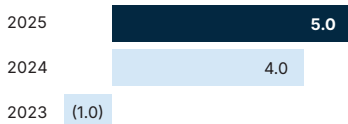
Definition

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%



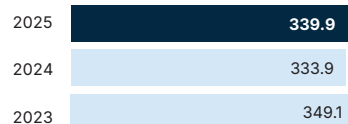
Definition

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



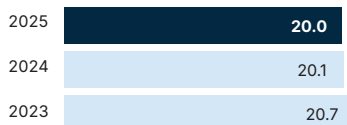
Definition

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%



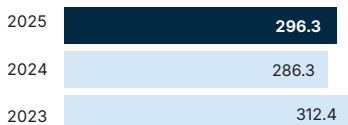
Definition

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



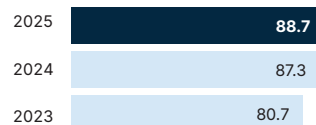
Definition

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

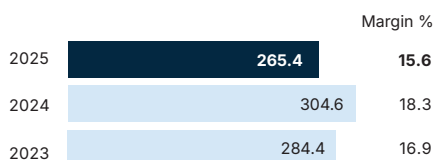
+ REM For more information about Remuneration, see pages 132 to 153

* 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.

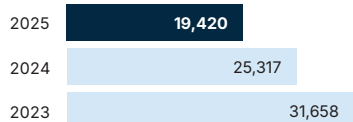
Progress in 2025

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

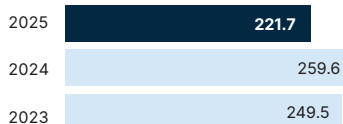
Scope 1 greenhouse gas (GHG) emissions: direct emissions from Company-owned or controlled sources (e.g. vehicles, fuel combustion). Scope 2 market-based GHG emissions: indirect emissions from purchased electricity, considering contractual and supplier-specific emissions factors.

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

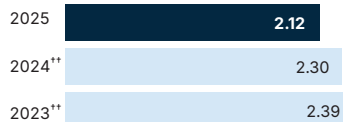
Statutory EPS is defined as the statutory after-tax profit attributable to equity shareholders divided by the weighted average number of shares in issue.

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

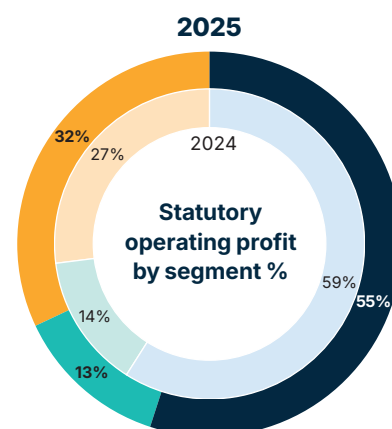
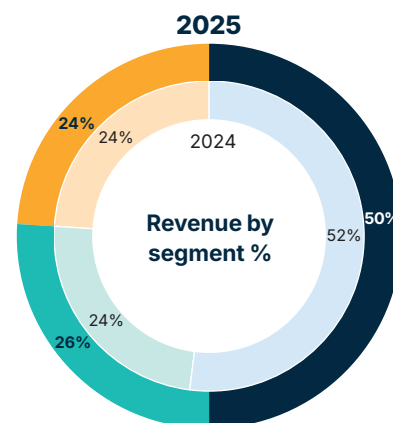
The number of workplace injuries per 100,000 hours worked. The workplace is any location in which an employee is present as a requirement of employment. Employees include all permanent and temporary staff and contractors. All injuries are any that occur in workplaces regardless of cause and result in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

Progress in 2025

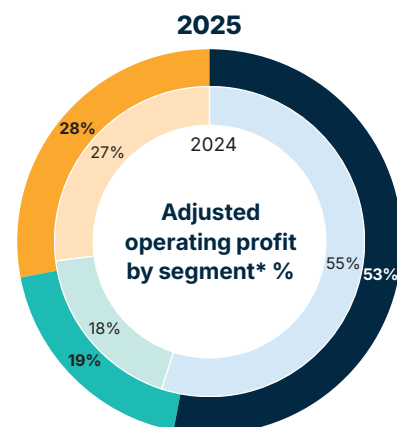
Our All-workplace Injury Rate[#] decreased by 8% during 2025. Whilst it is encouraging that our All-workplace Injury Rate is declining, our Serious Injury Rate[^] has increased from 0.02 to 0.03. Each case has been thoroughly investigated and the lessons learned were shared across the entire Group to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

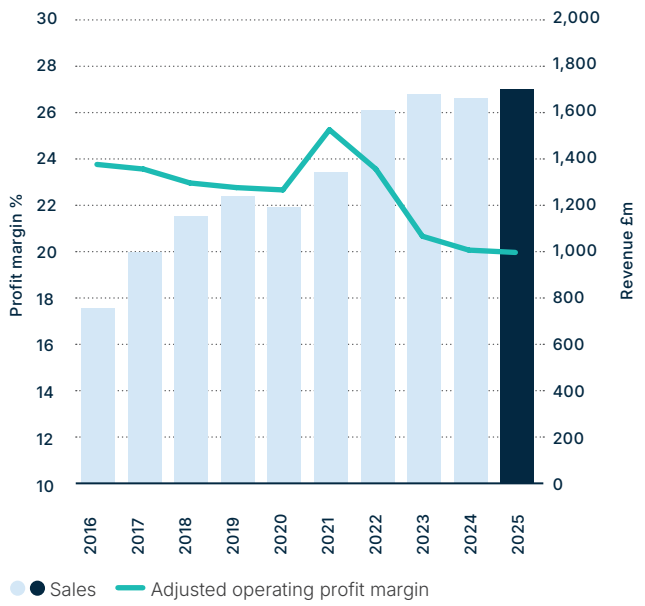
* All adjusted profit measures exclude certain items as set out and explained in the Group Chief Financial Officer's Review and in the Appendix to the Consolidated Financial Statements.

** 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.

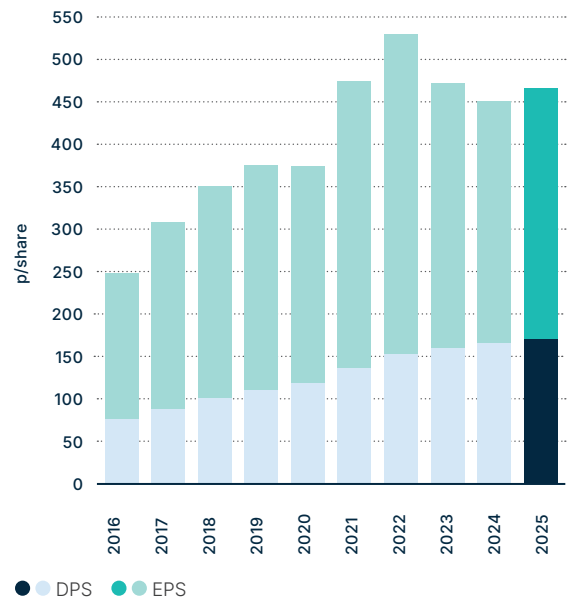
† The results for 2019 to 2025 include the impact of IFRS 16, which was adopted in 2019.

†† Capital expenditure excludes IFRS 16 lease repayments.

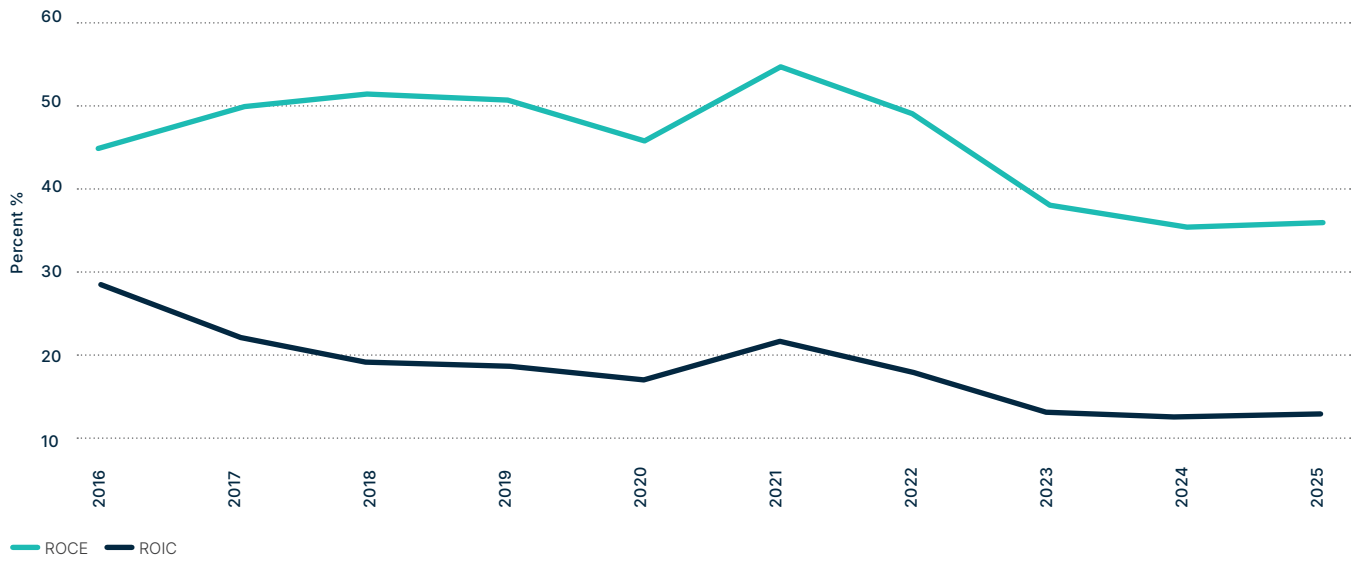
Revenue and adjusted operating profit margin £m/%



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:

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

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

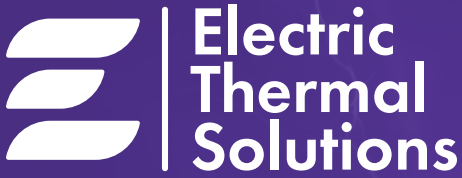
partner's sector and account focus is similar to that of STS Americas, enabling seamless collaboration on complex projects. Regional distributors excel at building long-term relationships with local customers and delivering a tailored service. In both cases, STS works closely with distributor teams, 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
	All manufacturing sites certified to ISO 14001 *	●	77
Grow sales of products with quantified sustainability benefits	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).

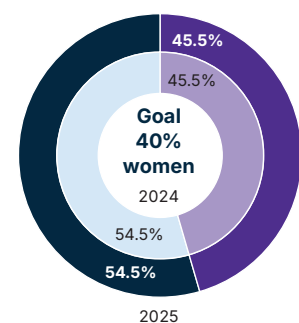
In the UK, we report our Gender Pay Gap for three entities: Spirax-Sarco Ltd, Watson-Marlow Ltd and Aflex Hose Ltd. We additionally voluntarily disclose data for our combined total UK workforce (including our companies that would not otherwise be captured under statutory reporting requirements).

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.

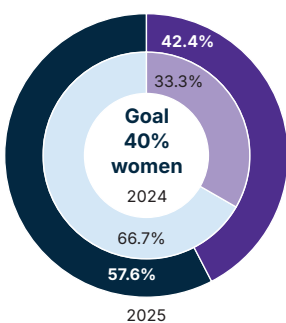
Diversity goals

Gender – Board of Directors*



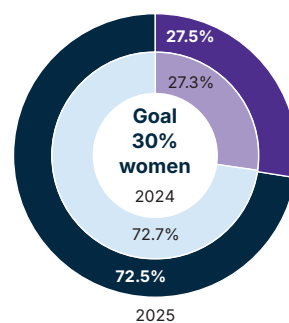
● Women – 5 (2024: 5)
● Men – 6 (2024: 6)
● Non-binary and other genders – none

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

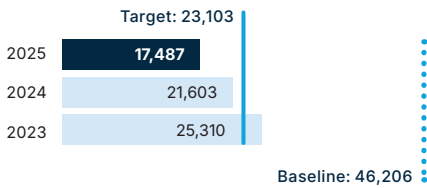
Approved SBTi targets

- 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

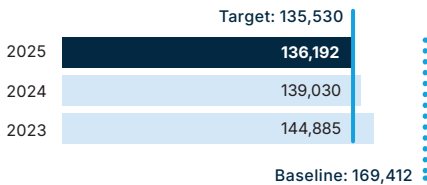
Progress to date

- **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

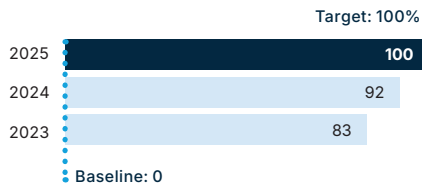
* Quantification of net gain will be focused on large development projects, where locally specific net gain methodologies will be applied, similar in approach to the UK's DEFRA methodology.

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

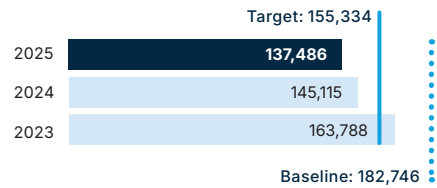
Key strategic targets

- 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)

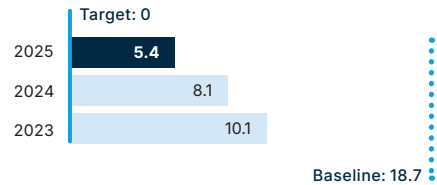
Progress to date

- **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

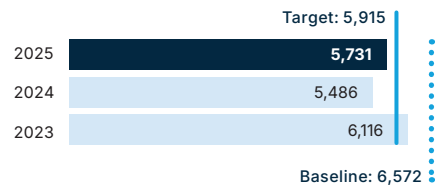
Total water use m³ (excluding acquisitions)



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

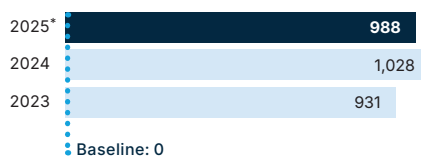
- 80% of strategic and high-risk suppliers assessed as meeting or exceeding our sustainability standards by 2025

Progress to date

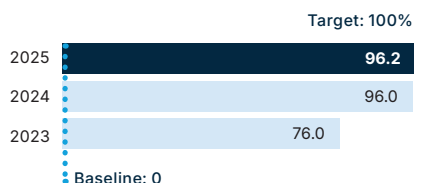
- **988** strategic suppliers in the Supplier Sustainability Portal who are required to complete a full assessment and **c. 2,000** suppliers who we monitor remotely
- **96%** of direct material suppliers have signed the Supplier Sustainability Code (by number)*
- **98%** of direct material suppliers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

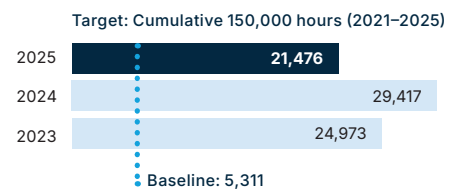
Key strategic targets

- 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

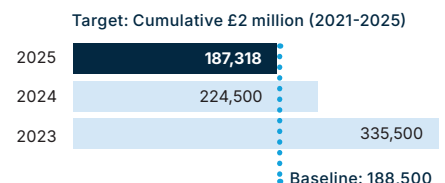
Progress to date

- **>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

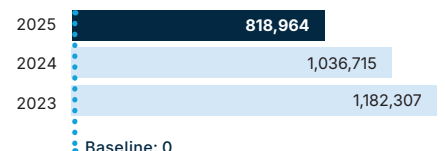
Colleague volunteering hours (excluding acquisitions)



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



Spirax Group Education Fund donations £



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

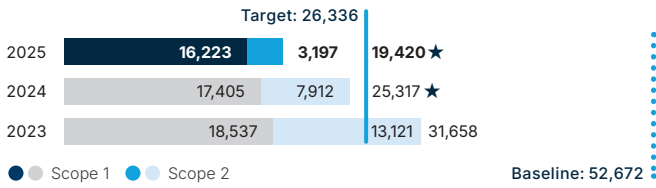
Net zero GHG emissions

Alignment with UN SDGs



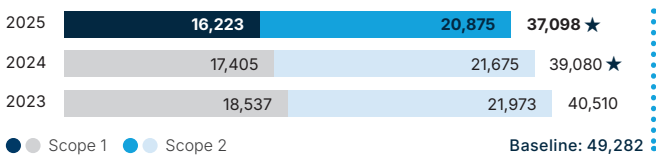
Group GHG emissions (scopes 1 and 2)

tonnes CO₂e (market-based) (including acquisitions)



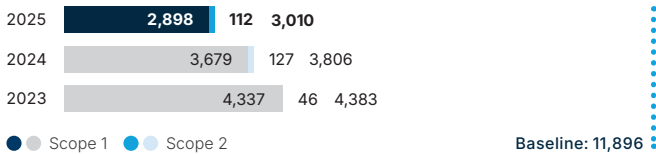
Group GHG emissions (scopes 1 and 2)

tonnes CO₂e (location-based) (including acquisitions)



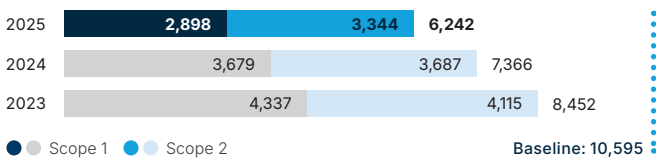
UK GHG emissions (scopes 1 and 2)

tonnes CO₂e (market-based) (including acquisitions)



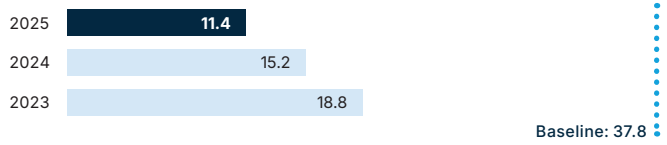
UK GHG emissions (scopes 1 and 2)

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



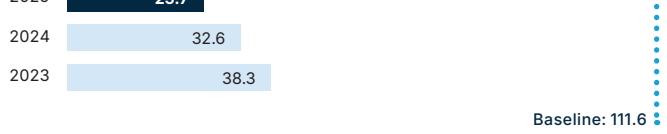
Group GHG emissions intensity (scopes 1 and 2)

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



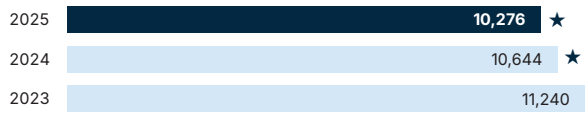
UK GHG emissions intensity (scopes 1 and 2)

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.

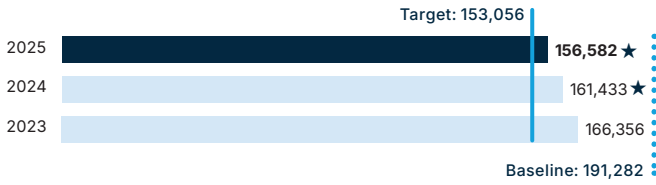
¹ All GHG and energy data pre-2023 labelled as 'including acquisitions' has been restated to include Vulcanic and Durex Industries using estimated data, with actual data for Vulcanic and Durex Industries included from 2023.



Net zero GHG emissions continued

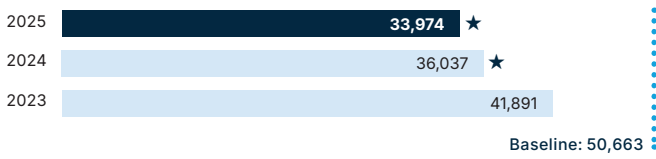
Group energy consumption

MWh (including acquisitions)



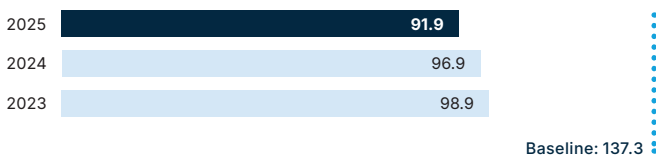
UK energy consumption

MWh (including acquisitions)



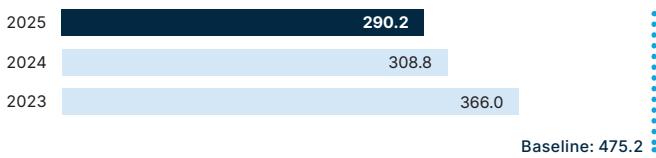
Group energy intensity

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

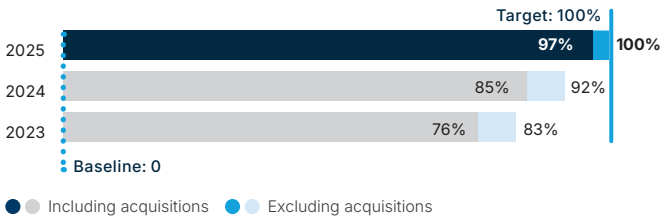
- Manage and optimise our energy use across our global sites, with a focus on 12 priority manufacturing sites, to reduce energy consumption
- Continue to decarbonise our buildings through the delivery of decarbonisation projects (removal of fossil fuels) and renewable energy procurement
- Continue to 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

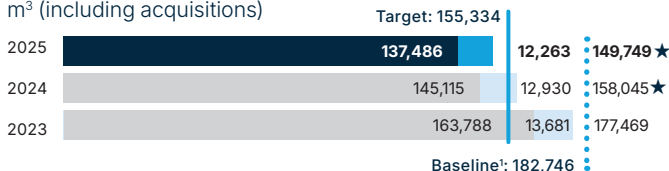
Environmental improvements

Alignment with UN SDGs



Total water use

m³ (including acquisitions)

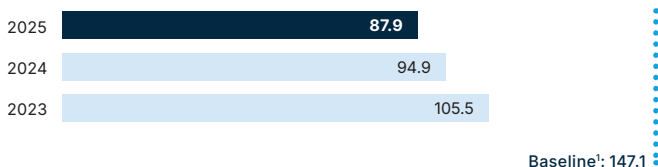


● Legacy companies ● Acquisitions

★ Metric assured by Deloitte.

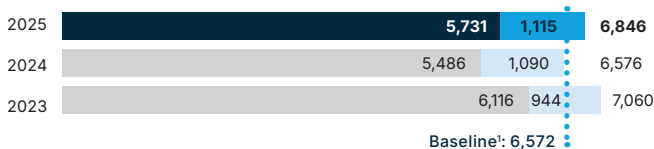
Water intensity

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



Total waste generation

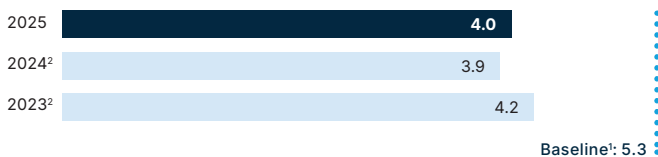
tonnes (including acquisitions)



● Legacy companies ● Acquisitions

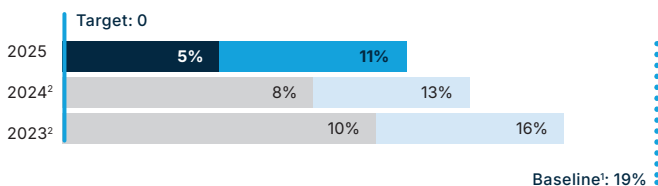
Waste intensity

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

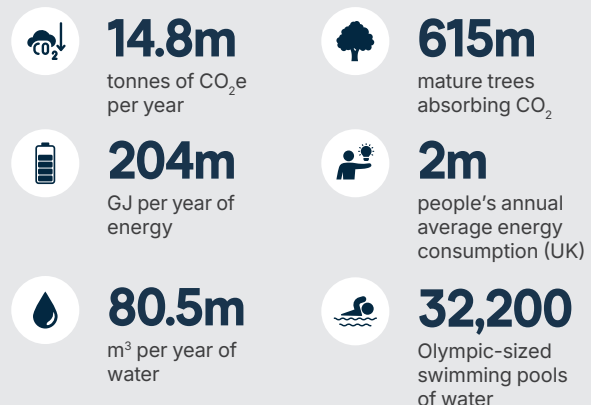
Building on the development of our eco-design toolkit in 2024, we delivered additional training workshops in 2025 to support engineering colleagues across our R&D teams in each Business in applying the toolkit effectively. These sessions were attended by 53 colleagues in 2025. The toolkit is currently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

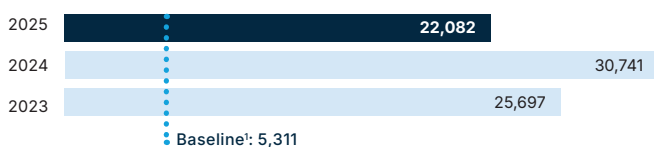
Supporting our communities

Alignment with UN SDGs



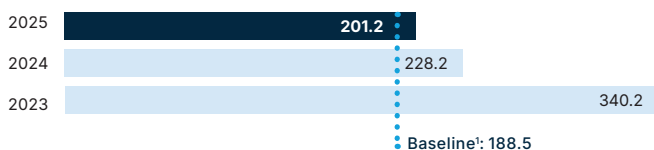
Volunteering hours

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		<ul style="list-style-type: none"> + 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:

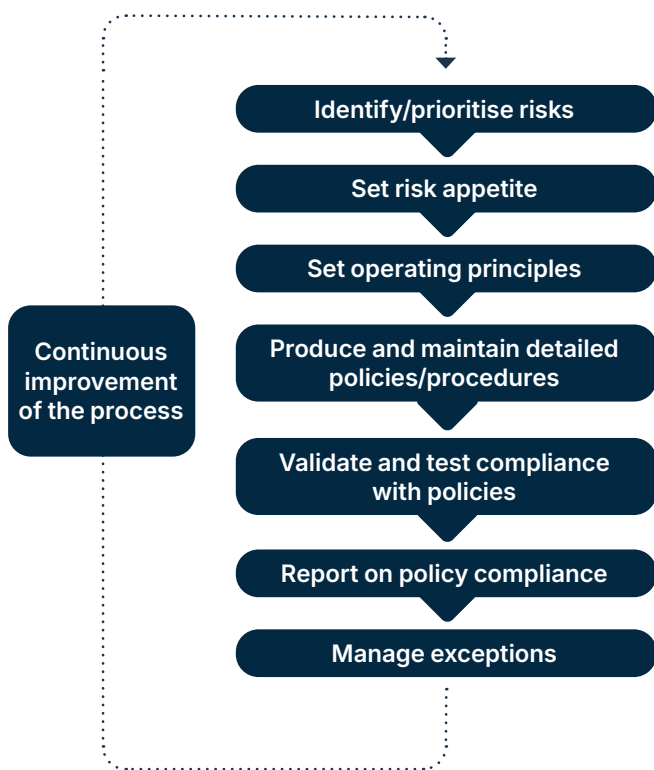


Risk Management continued

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.

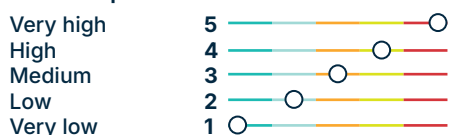
Strategy – Acute physical risks

Acute physical risks are event-driven, specific episodes that have the potential to inflict significant physical damage.

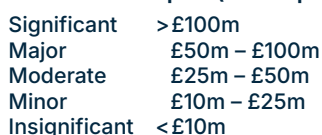
Risk/opportunity	Description	How we manage and mitigate this risk	Estimated financial impact	Link to metrics and targets
Flooding: river and flash flooding from precipitation	<p>17% of the Group's operations by TIV, 42 of 239 locations, are currently exposed to the risk of river flooding, with 28 sites (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

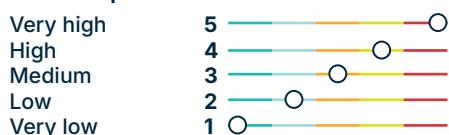
Task Force on Climate-related Financial Disclosures (TCFD) continued

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>

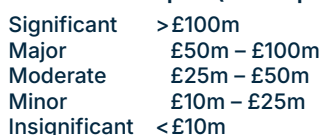
The impacts of chronic risks are likely to differ by location, with some countries already experiencing and managing high levels of heat stress or drought, with the ability to adapt to those conditions. For other locations historically less used to drought or heat stress, the impacts could potentially 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 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)

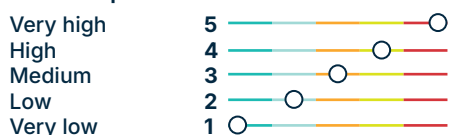
Significant	>£100m
Major	£50m – £100m
Moderate	£25m – £50m
Minor	£10m – £25m
Insignificant	<£10m

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 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> <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

Governance Report

Welcome to our 2025 Governance Report. In this report we describe the governance framework of our Group, the work of the Board and how this supports our **Together for Growth** Strategy.

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UK Corporate Governance Code

Statement of Compliance

For the year ended 31 December 2025, the Company reports against the Financial Reporting Council's (FRC) UK Corporate Governance Code 2024 (the Code), which is available at www.frc.org.uk. The Board considers that it has applied all Principles and complied with all Provisions of the Code. Detailed information on our compliance with the Code and how governance operates at Spirax Group has been summarised throughout this governance section and elsewhere in this Annual Report. Further information can also be found on our website spiraxgroup.com/governance-documents.

How we apply the Code

Board leadership and Company Purpose	<ul style="list-style-type: none"> • Sustainable growth: read more on pages 60 to 81 • How we are governed: read more in how we are governed and our governance framework • Board activities and priorities: read more in Chair's Statement and Board activities and annual cycle • Our stakeholders, S172 compliance statement and Board decision making: read more in Board activities, S172 Statement and stakeholder engagement • Board oversight of our culture and engagement with colleagues: read more in embedding our culture • Colleague Engagement Committee report: read more on pages 117 and 121
Division of responsibilities	<ul style="list-style-type: none"> • How we are governed: read more in Board composition, division of responsibilities and our governance framework • Board of Directors: read more in Board biographies • Group Executive Committee: read more in GEC biographies • Independence: read more in Board composition and division of responsibilities
Composition succession and evaluation	<ul style="list-style-type: none"> • Board composition: read more in the Directors' biographies • Nomination Committee report: read more on pages 122 and 123 • Board effectiveness: read more in the Nomination Committee Report and on page 113
Audit Risk and internal control	<ul style="list-style-type: none"> • Risk Management and internal controls, including Principal and emerging risks: read more in Risk Management and in the Risk Management Committee report • Risk Management Committee report: read more on pages 124 to 126 • Audit Committee, including Fair, Balanced and Understandable Statement: read more on pages 127 to 131
Remuneration	<ul style="list-style-type: none"> • Remuneration Committee report: read more on pages 132 to 134

Chair's letter



“
Enhancing governance to support our **Together for Growth** Strategy.”

Tim Cobbold
Chair

Board focus for 2026

- Maintain focus on raising safety standards
- Prioritise organic growth through the **Together for Growth** Strategy
- Enhance Board processes and embed stronger alignment between Board decisions and strategic objectives
- Monitor how culture supports the way of operating throughout the Group
- Continue investment in Digital and Decarbonisation
- Implement the refreshed **One Planet** Roadmap

2025 has been a year of purposeful evolution for Spirax Group's governance framework. 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 whilst evolving the way the Board operates, particularly given the more volatile and uncertain economic environment.

We have initiated a refresh of our risk management framework and a review to enhance Board processes to sharpen oversight and accelerate decision making. Guided by the principles of the revised UK Corporate Governance Code 2024 (the Code), we have embedded stronger alignment between Board decisions and strategic objectives, reinforcing our commitment to sustainable growth and long-term value creation for all stakeholders.

The Board's focus this year has been on performance and impact including:

- Rigorous effectiveness review to challenge and improve how we work
- Active succession planning to maintain a diverse, high-performing Board
- Ongoing engagement with stakeholders to ensure governance is a catalyst for progress, not just compliance

We recognise that governance is the foundation of trust and resilience. Through disciplined oversight and constructive challenge, the Board is helping the Group navigate complexity and seize opportunities with confidence.

Board and Committee composition

I joined the Board in September 2024 as Chair Designate and became Chair on 1 January 2025. During the year, we welcomed two new Board members, Maria Antoniou, who joined on 1 June and became Chair of the Remuneration Committee and Andrew Kemp, who joined on 1 November and will succeed Kevin Thompson as Audit Committee Chair on 1 April 2026. Details about the recruitment and induction process for each can be found in the Nomination Committee Report on pages 122 and 123. We said farewell to Jane Kingston on 30 September and as announced, Kevin Thompson will step down at the 2026 Annual General Meeting (AGM).

Major Board decisions in 2025

February 2025

Organisational Fitness

The Board reviewed the organisational structure and approved changes to align with the Group's strategy and to simplify the way we work to be more effective.

June 2025

Strategy

The Board continued to review the **Together for Growth** Strategy, in order to ensure that the Group was progressing in line with its medium- and long-term commitments and that the actions taken would underpin delivery of the Group's targets. In June, the Board reaffirmed and approved the medium-term priorities of each Business and investment allocation. The Board also confirmed support for initiatives to drive organic growth and margin improvements.

August 2025

Market Abuse Regime

The Board approved the refreshed compliance framework to address risks of insider dealing and the Terms of Reference of the Disclosure Committee.

Committee Composition

The Board reviewed and approved changes to the composition of the Nomination Committee to improve effectiveness and agility.

On behalf of the Board, I thank both Jane and Kevin for their substantial contributions over many years.

Our Board is diverse and this is illustrated through the Board biographies on pages 106 and 107 and by the Governance at a glance information on page 105. We place diversity at the centre of our governance framework, ensuring that Board composition reflects a broad range of skills, experiences and perspectives. This continues in our recruitment process for new Board members, where we actively seek candidates from varied backgrounds to foster inclusive decision making and strengthen strategic oversight. By valuing diversity, we aim to enhance resilience, innovation and accountability across the organisation.

Following a review of Board Committee membership, we implemented some changes in August 2025, including streamlining the Nomination Committee and adding new members to the Audit and Colleague Engagement Committees. Further details can be found in the respective Committee reports on pages 117, 122 and 127.

In March 2026, having further reflected on Board and Committee updates received during 2025, which highlighted the growing complexity of risks such as cybersecurity, regulatory change, sustainability, AI and geopolitical factors, the Board decided to expand the Audit Committee's remit from April 2026, to include risk oversight more fully.

This reflects our commitment to strong governance and alignment with best practice. The benefits of increasingly integrating financial reporting, internal controls and risk management under one Committee for a holistic assurance view are clear. We believe that consolidating risk oversight within an expanded Audit and Risk Committee will improve visibility, streamline reporting and strengthen accountability.

This approach aligns with the Code and its guidance, ensuring financial integrity and risk resilience are considered together for proactive risk identification and mitigation.

Board performance and development

We commissioned an externally facilitated Board effectiveness review, conducted by Lintstock, in accordance with the Code. The review confirmed that the Board and its Committees operate effectively, with Directors demonstrating strong commitment and constructive challenge. Actions identified will inform our continuous development and improvement agenda.

+ More information can be found in the Nomination Committee Report and on pages 122 and 123

Stakeholder engagement

Long-term success depends on strong relationships with all stakeholders. Caroline Johnstone has held the role of designated Non-Executive Director for Colleague Engagement since 2019 when the Colleague Engagement Committee was established. You can read about the activities undertaken by the Committee in her report on pages 117 to 121.

We also maintain an ongoing dialogue with investors and proxy advisers through a number of engagements and events, as well as through a consultation exercise that helped inform our review of the Directors' Remuneration Policy, which will be subject to a shareholders' vote at the 2026 Annual General Meeting (AGM). The Directors' Section 172 Statement describes how the Board has had regard to the matters set out in Section 172 when performing its duty to promote the success of the Company, including our engagement with wider stakeholders. This can be found on pages 8 to 11.

The Company also engages with several proxy advisory firms ahead of publication of its Notice of AGM and publication of their proxy reports in order to, where possible, align proposed resolutions with investor expectations.

Fair, balanced and understandable

In accordance with the Code, the Board confirms that it considers that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's financial position, performance, business model and strategy. More information on how the Board formed this opinion can be found in the Audit Committee Report on page 131.

Annual General Meeting

The AGM provides shareholders with transparency on Company progress and the opportunity to ask questions of the Board. The AGM is scheduled to take place on 13 May 2026. An explanation of the resolutions sought is set out in the Circular and Notice of Meeting on our website and sent to shareholders in the format selected by them. As required by the Code, the resolutions regarding each Director's appointment or reappointment will be accompanied by information on why their contribution is and continues to be important to the Company's long-term sustainable success.

This year we are delighted once again to invite you to the AGM at our Group Headquarters at Charlton House, in Cheltenham, UK, where I look forward to meeting with shareholders.

Tim Cobbold

Chair

9 March 2026

October 2025

One Planet

The Board approved the refreshed **One Planet** Roadmap, which is well aligned with the Group's overall growth agenda.

The Roadmap, which will be communicated in 2026, will focus on Sustainable Innovation and Responsible Supply Chains, Decarbonisation and Resource Efficiency as well as Social Impact.

+ Further details are set out in the Section 172 Statement and on pages 8 to 11

ERP Programme

The Board approved the extension of the ERP programme following completion of the common design phase to include a common build phase.

December 2025

Board Effectiveness

The Board, supported by the Nomination Committee, undertook a review of its effectiveness and considered the findings, key recommendations and agreed on actions.

Remuneration Policy

The Board received reports from the Remuneration Committee during the year regarding the review of the Group's Remuneration Policy to ensure alignment with the **Together for Growth** Strategy and evolving stakeholder expectations. A revised policy will be presented for shareholder approval at the 2026 AGM.

+ Full details of the proposed enhancements to the Remuneration Policy are in the Directors' Remuneration Report on pages 132 to 153

Governance at a glance

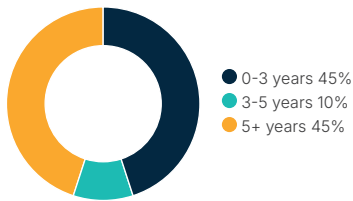
As at 31 December 2025

Board experience and skills

Outlined below is the number of Board members with the respective experience and skills relative to our Together for Growth Strategy.

Sales and Marketing 6	Strategy 11	International business 11
Engineering 7	Industrial and Manufacturing 11	Operational 9
M&A and R&D 11	Restructuring, Rationalisation and Change Management 10	Risk Management 10
Digital strategy 7	Business systems (AI/ Data Management) 9	Digital risk, privacy and cybersecurity 8
Environmental, health and safety 9	Organisational Culture (DE&I) 7	Innovation 9

Board length of service

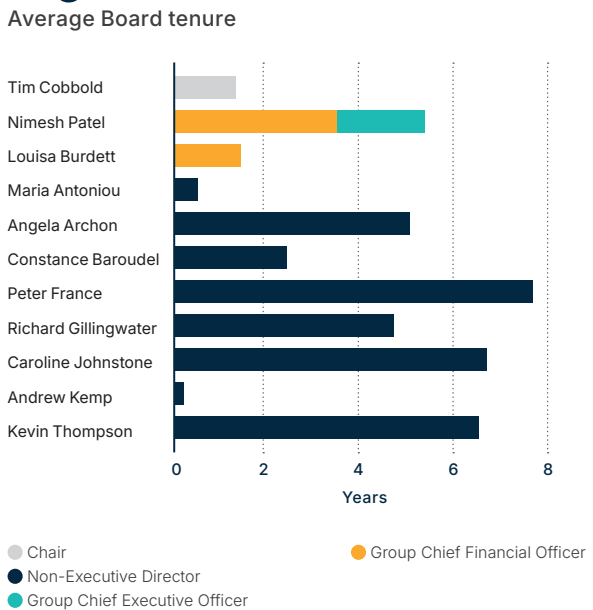


Board changes during the year

Jane Kingston	Retired September 2025	Non-Executive Director Remuneration Committee Chair
Maria Antoniou	Appointed June 2025	Non-Executive Director Remuneration Committee Chair from June 2025
Andrew Kemp	Appointed November 2025	Non-Executive Director Audit Committee Chair Designate

Board tenure

3 years 5 months
Average Board tenure



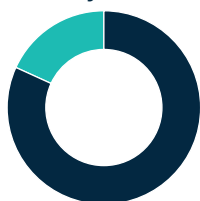
Board diversity

Gender



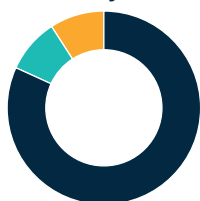
- Male 54.5%
- Female 45.5%

Ethnicity



- White 81.8%
- Ethnic minority 18.2%

Nationality



- British 81.8%
- French 9.1%
- American 9.1%

Progress against diversity targets

Female Board members

45.5%



Ethnic minority

2



Senior female in one of our 'four key roles'

1



- Actual
- Target

2025 Board Activities and Stakeholder Engagement

In 2025, we conducted almost 300 investor meetings, providing updates on the following:

- 2025 outlook and medium-term targets
- Leadership and culture evolution
- Consultation on the new Remuneration Policy
- Business model resilience and evolution
- End market weaknesses and opportunities

Key

- Board Activities
- * Stakeholder Engagement

- January 2025**
 - * Investor site visit to Cheltenham
- February 2025**
 - Continuing oversight of the ERP design
 - Approval of Board focus areas following the 2024 Board effectiveness review
- March 2025**
 - Approval of final dividend
 - Approval of Full Year Results
 - * Full Year Results Announcement and shareholder roadshow meetings
 - * Jefferies Pan-European Mid-Cap conferences
- April 2025**
 - Publication of the 2024 Annual Report and Accounts and Notice of AGM
 - * Boston/New York Roadshow
- May 2025**
 - Deep dive Business review – ETS
 - Approval of Modern Slavery Statement
 - Formation of Pensions Committee
 - Approval of Taxation Committee Terms of Reference (ToR)
 - Approval of Treasury Committee ToR
 - Annual General Meeting
 - Trading Statement
 - * Madrid Roadshow
 - Dividend payment
- June 2025**
 - Maria Antoniou appointed to the Board and induction
 - Board visit to Brazil Group Businesses – colleague engagements
 - Board strategy – two-day event with GEC
 - Reshaping the organisation
 - * BNP Paribas Exane CEO Paris Conference
 - * Amsterdam roadshow
 - * Investor site visit to Cheltenham
- July 2025**
 - * Investor site visit to Cheltenham
- August 2025**
 - Approval of interim dividend
 - * Approval of Half Year Results
 - * Half Year Results Announcement and shareholder roadshow meetings
 - Deep-dive Business Review – WMFTS
 - Establishing a Disclosure Committee and approving the Committee ToR
 - Market Abuse training refresh
 - Board Committees composition refresh
- September 2025**
 - * Investor site visit to Cheltenham
 - * New York Roadshow
 - * Canada Roadshow
- October 2025**
 - Deep-dive Business review – STS
 - **One Planet** Strategy refresh
 - Digital for Enterprise review
 - Andrew Kemp appointment
 - * Scandinavia Roadshow
- November 2025**
 - Andrew Kemp joined the Board and induction
 - Trading update
 - * Investor site visit to Cheltenham
 - Interim dividend
- December 2025**
 - Organisational Fitness
 - Commercial Excellence
 - 2025 Board effectiveness review
 - Governance ToR (Remuneration/ Audit Committee)
 - * Redburn CEO Conference

Board of Directors



Tim Cobbold BSc, FCA
Chair

Appointed to the Board

September 2024

Board Chair with effect from 1 January 2025

Skills and experience

Tim has extensive experience in leading large, complex international listed businesses and has been CEO at Chloride Group plc, De La Rue plc and most recently, UBM plc. He has a strong track record of value creation through growth and operational delivery. Tim was also Non-Executive Director of Rotork plc (until December 2024). Tim is a qualified chartered accountant and has a BSc in Mechanical Engineering from Imperial College, London.

External appointments

Non-Executive Director and Chair of TI Fluid Systems plc until April 2025.



Nimesh Patel BSc
Group Chief Executive Officer

Appointed to the Board

September 2020

Skills and experience

Nimesh has international and senior leadership experience spanning strategy, finance, industrial businesses, capital markets and M&A. Before joining the Group in 2020, he served as Chief Financial Officer of the De Beers Group. Prior to that, Nimesh was Group Head of Corporate Finance at Anglo American plc, leading global teams. Earlier in his career, he spent 14 years in investment banking at JP Morgan and later as a Managing Director at UBS.

External appointments

Nimesh was Co-Chair of the FTSE Women Leaders Review (formerly the Hampton-Alexander Review) from April 2022 until February 2026 and is a Trustee of Barts Charity.



Louisa Burdett BSc, ACA
Group Chief Financial Officer

Appointed to the Board

July 2024

Skills and experience

Louisa is a chartered accountant with extensive financial leadership experience across the industrial, manufacturing, pharmaceutical and publishing sectors, in international businesses. Before joining the Group in 2024, she served as Chief Financial Officer of Croda International plc. She previously held CFO positions at Meggitt plc and Victrex plc, leading finance functions within globally diversified, UK-listed businesses. Louisa has a strong track record in finance transformation, functional operational excellence and disciplined capital allocation across complex international environments. She was a Non-Executive Director and Audit Committee Chair of RS Group plc until January 2026.

External appointments

Louisa will become Non-Executive Director of SEGRO plc with effect from 1 May 2026.



Maria Antoniou BA, FCIPD
Independent Non-Executive Director

Appointed to the Board

June 2025

Skills and experience

Maria has over 30 years of international HR leadership experience including seven years as Senior VP HR at E.ON, in Germany. She has held senior HR leadership roles at Ford Motor Company, Jaguar Land Rover and Transport for London, all of which have involved complex transformation programmes. She was a Non-Executive Director at NATS until July 2025.

External appointments

Group HRD at Morgan Advanced Materials plc, Chair of Trustees of Transport for London's Pension Fund. Maria will become a Non-Executive Director of Victrex plc with effect from 1 September 2026.



Angela Archon MSc, BSc
Independent Non-Executive Director

Appointed to the Board

December 2020

Skills and experience

Angela has over 30 years of leadership experience, with expertise in information technology, including digital/AI, operational excellence and strategy. She held senior executive roles at IBM, including VP of Transformation and COO of Watson Health. In the past 10 years, she has served on boards of publicly listed companies and as Board Liaison for The National Action Council for Minorities in Engineering for eight years. Angela has a Professional Engineer's licence.

External appointments

Non-Executive Director of DT Midstream Inc. and CommonSpirit Health. Angela is a member of Tau Beta Pi, the national Engineering Honor Society in the USA.



Constance Baroude MSc, BA,
Independent Non-Executive Director

Appointed to the Board

August 2023

Skills and experience

Constance has strong strategic and operational leadership experience across multiple sectors, bringing over 20 years of experience in global listed organisations, including extensive experience in industrial innovation, digitalisation and M&A.

She has an MSc in International Accounting and Finance from the London School of Economics, an MSc in Corporate Finance and Strategy and a BA in International Relations from Sciences Po Paris.

External appointments

Sector Chief Executive, Environmental & Analysis, and Chief Sustainability Officer at Halma plc.

Key:

- A Audit Committee
- N Nomination Committee
- C Colleague Engagement Committee
- R Remuneration Committee
- RK Risk Management Committee
- Denotes Committee Chair



- A
- N
- R



Richard Gillingwater CBE, MBA, MA
Law, Solicitor
Independent Non-Executive Director
and Senior Independent Director
Appointed to the Board

March 2021

Appointed Senior Independent Director in August 2021

Skills and experience

Richard has extensive leadership experience in global businesses and was Chair of Janus Henderson Group plc and SSE plc for over five years. He has also held a range of Executive positions within global investment banks including Kleinwort Benson, Credit Suisse and Barclays de Zoete Wedd.

Richard holds an MBA from the International Institute for Management Development, an MA Law from Oxford University and is a qualified solicitor.

External appointments

Senior Independent Director of Whitbread plc and Governor at The Wellcome Trust.



- A
- N
- C



Caroline Johnstone BA, CA
Independent Non-Executive Director
Appointed to the Board

March 2019

Skills and experience

Caroline has almost 40 years of experience with global organisations, focusing on transformation, culture change, M&A and cost optimisation. She was a Non-Executive Director at Synthomer plc (until December 2024) and Shepherd Group Ltd (until June 2024). Caroline also served as a people partner on the Board of PwC's Assurance practice and was a member of the Governing Board of Manchester University.

She is a chartered accountant and a member of the Institute of Chartered Accountants of Scotland.

External appointments

Chair of Durham University Council.



- A



Andrew Kemp BA, FCA
Independent Non-Executive Director
Appointed to the Board

November 2025

Skills and experience

Andrew is a chartered accountant, with a distinguished career at PwC, including 27 years as an Audit Partner. He brings extensive financial, risk and governance experience, together with extensive board-level experience, providing strategic and audit oversight in both private and public companies.

External appointments

Non-Executive Director and Chair of the Audit Committee at The Berkeley Group Holdings plc. Non-Executive Director and Chair of the Audit and Risk Committee at Irwin Mitchell Holdings Ltd. A Governor and Chair of the Finance Committee of Birkbeck University of London. Chair of the Audit Committee Chairs' Independent Forum.



- C
- A
- N



Peter France
Independent Non-Executive Director
Appointed to the Board

March 2018

Skills and experience

Peter has extensive experience in international business leadership, having served as CEO of Asco Group, Rotork plc and TT Electronics plc. At Rotork plc, Peter had various key roles, gaining experience in operational and industrial engineering, sales and marketing and was Chief Operating Officer and Director of Rotork South East Asia, located in Singapore.

He is a Chartered Director with the Institute of Directors.

External appointments

Peter was Chief Executive Officer of TT Electronics plc until April 2025.



- A
- R



Kevin Thompson BSc, FCA
Independent Non-Executive Director
Appointed to the Board

May 2019

Skills and experience

Kevin has over 30 years of experience in senior leadership and was Group Finance Director of Halma plc for 20 years, with experience in engineering, international business, M&A and strategy.

Kevin is a Chartered Accountant and is a Fellow of the Institute of Chartered Accountants in England and Wales.

External appointments

Deputy Chair and Trustee of the Great Ormond Street Hospital Children's Charity.



- RK



Céline Barroche LLM, PGDL, ACG
Group General Counsel and
Company Secretary
**Appointed as Group General Counsel
and Company Secretary**

September 2024

Skills and experience

Céline has over 25 years' legal and management experience with global businesses and is an experienced member of the Group Executive team, bringing strategic insights and governance expertise. She has held senior roles, including Group General Counsel and Group Company Secretary in FTSE listed companies. Prior to joining she was General Counsel at Allied Universal International, responsible for the delivery of legal services in 85 countries and was also Chair of the Allied Universal International Ethics Committee. Céline is a qualified solicitor in England and Wales and a Chartered Company Secretary.

Group Executive Committee



Nimesh Patel
Group Chief Executive Officer



Louisa Burdett
Group Chief Financial Officer



Céline Barroche
Group General Counsel and
Company Secretary

➕ See biographies on Board of Directors pages 106 and 107



Maurizio Preziosa
Managing Director
Steam Thermal Solutions

Appointed to the Group
Executive Committee

January 2021

Skills and experience

Maurizio joined the Group as Managing Director of Spirax Sarco Italy, before taking on the roles of Regional General Manager Southern Europe and Global Divisional Director Gestra. In 2021, he was appointed Group Managing Director Steam Specialties (now renamed Steam Thermal Solutions). Earlier in his career, Maurizio held a range of sales management and general management roles at ABB Group.



Andrew Mines
Managing Director
Electric Thermal Solutions

Appointed to the Group
Executive Committee

November 2019

Skills and experience

Andrew joined the Group in 2019 as Managing Director of Watson-Marlow Fluid Technology Solutions and was appointed as Managing Director of Electric Thermal Solutions in 2024. Prior to this he had a 23-year career with Global Construction Products of Illinois Tool Works Inc. (ITW), developing experience in engineering, sales and manufacturing. Andrew is a Steering Group member of the registered charity, Movement to Work.



Stuart Roby
Managing Director Watson-Marlow
Fluid Technology Solutions

Appointed to the Group
Executive Committee

January 2025

Skills and experience

Stuart has broad operational experience and expertise in LEAN manufacturing and an understanding of direct sales models. Prior to joining the Group, he was Managing Director of the Technical and Flooring business at The Vita Group, having previously served as Business Development Director. Stuart has a Master's in Engineering and is a certified Six Sigma Black Belt.



Sarah Peers
Group Sustainability Director

Appointed to the Group
Executive Committee

October 2022

Skills and experience

Sarah was appointed Group Head of Sustainability in July 2020 before being appointed Group Sustainability Director in October 2022, reflecting her leadership in developing and embedding the Sustainability strategy across the Group. Prior to her transition into Sustainability, Sarah was Head of Corporate Communications and earlier in her career, was a teacher.

Sarah holds a Doctorate in Historical Geography from the University of Oxford. Sarah leaves the Group on 8 April 2026.



Jim Devine
Group HR Director

Appointed to the Group
Executive Committee

February 2016

Skills and experience

Jim has extensive global HR experience, with particular expertise in developing initiatives focusing on inclusion and diversity and global colleague wellbeing. Prior to joining the Group Jim was HR Director at Chemring plc. He has held various HR roles in international businesses, including Centrica plc, Ford Motor Company and BAE Systems.



Maria Wilson
Group Digital Director

Appointed to the Group
Executive Committee

September 2023

Skills and experience

Maria is leading and accelerating the Group's digital strategy, with her expertise in digital transformation, alongside her engineering expertise. Prior to joining the Group, Maria was the Global Leader for Data Driven Advantage at Howden, leading the vision definition and execution of a global digital programme focused on delivering business growth through customer engagement strategies enabled by digital technologies. Previously, Maria held other senior positions at Howden. Maria has a PhD in Fluid Mechanics from the University of Erlangen-Nuremberg, Germany.

Maria Antoniou's Board reflections



I have been struck by the quality and openness of debate across the Board and Committee rooms."

Maria Antoniou
Independent Non-Executive Director

Joining Spirax Group's Board in June 2025 has been both a privilege and an energising experience, providing valuable insight into a Company with a remarkable track record, a strong sense of Purpose and a commitment to long-term, sustainable value creation. From my earliest meetings, I have been struck by the quality and openness of debate across the Board and Committee rooms, as well as the shared determination to balance performance delivery with the interests of customers, shareholders, colleagues and broader stakeholders. I have been particularly impressed by the colleagues I have interacted with and their willingness to tell me about the role they play in the Group.

As Chair of the Remuneration Committee, much of my first year has been spent overseeing two significant areas of work: reviewing remuneration outcomes linked to performance in 2025 and leading the triennial review of the Directors' Remuneration Policy to be implemented in 2026. The review has provided an important opportunity to ensure that our framework continues to support the Group's strategy. These discussions were thorough, stretching and constructive, reflecting both the complexity of our operating environment and the high standards we apply to governance. An important part of the policy review was hearing first-hand the views of our shareholders.

More broadly, I have been consistently encouraged by the Group's disciplined performance despite some headwinds in key markets and widespread economic volatility. It is clear that colleagues across Spirax Group continue to demonstrate resilience and focus in delivering on the Group's commitments even during periods of change and uncertainty. The dedication and collaboration that underpin this performance are clearly embedded in the culture and evident in the interactions between colleagues and the Board.

Spirax Group's sustainability progress, as evidenced by strong performance against the 2021 targets, including a marked reduction in greenhouse gas emissions and the way in which it supports customers on their sustainability journeys, is another differentiator and shows that sustainability is deeply embedded in how the Group aims to create long-term value for all stakeholders.

It has been positive to observe continued progress in advancing equality across the Group, including a further reduction in our UK Gender Pay Gap. I am looking forward to working with Caroline Johnstone this year, as our two Committees undertake a thorough review of colleague feedback on pay, benefits, recognition and performance gathered from our 2025 Colleague Engagement Survey, to ensure our reward frameworks continue to support an inclusive, high-performing culture and long-term value creation.

It has been a pleasure to contribute to the Group's governance during my first year. I look forward to playing my part in supporting leadership as they build further momentum behind the **Together for Growth** Strategy in 2026 and beyond.

How we are governed

Our governance framework

The Board is committed to a governance framework that supports the Group's **Together for Growth** Strategy. While the Group Executive Committee (GEC) manages the implementation of the day-to-day operations, the Board's focus is on long-term success, strategic oversight and robust risk management. This commitment is reflected in the Company's established corporate governance framework, available at spiraxgroup.com/governance-documents, which is designed to enable effective decision making and compliance with the Code.

The role of the Board and Committees

The Board holds collective responsibility for the Group's long-term success and operates under a formal schedule of matters reserved for its decision making. While the Board retains overall responsibility, specific responsibilities are delegated to Committees, allowing focused oversight of key areas such as Audit, Risk, Remuneration, Colleague Engagement and succession planning. Except for the Risk Management Committee (comprising senior executives), all Committees consist solely of independent Non-Executive Directors. The Risk Committee will cease to be a formal Committee of the Board and the Audit Committee will expand, to include more formally and fully, oversight of risk within its remit from 1 April 2026. From April 2026 all Committees of the Board will consist solely of independent Non-Executive Directors.

Committee discussions and recommendations are reported to the Board after each meeting. Terms of Reference for all Committees are reviewed annually and are available on the Group's website spiraxgroup.com/governance-documents. Individual Committee reports from each Chair are included in this report.

Delegation of authority

The delegated authority matrix ensures decisions are made at the right level, supporting efficiency and accountability. It is reviewed annually.

Supporting policies

The Board also maintains policies that underpin responsible business conduct, including our Code of Conduct, Whistle-blowing Policy, Anti-Bribery and Corruption Policy and Human Rights Policy.

We operate a zero-tolerance approach to bribery and corruption, supported by an independent whistle-blowing platform (Safecall), which offers a secure, anonymous facility for reporting concerns via web portal or telephone.

Additional resources, such as our Employee Assistance Programme, are available to help colleagues balance work and personal life.

Our Group values diversity across multiple dimensions, including ethnicity, gender, language, age, sexual orientation, religion, socio-economic status, physical and mental ability, thinking styles, experience and education. We believe that diverse perspectives foster innovation and drive business success. Effective diversity management enhances creativity, flexibility, productivity and competitiveness. Further details on Inclusion and Diversity are available in the Sustainability Report on pages 67 and 68 and at spiraxgroup.com/inclusion.

As a Disability Confident - Committed (Level 1) employer in the UK, we have committed to ensuring inclusive and accessible recruitment processes that give full and fair consideration to applications for employment made by disabled (whether visible or invisible) persons, to anticipating and providing reasonable adjustments as required, and to supporting existing employees continuing in work should they acquire a disability or long-term condition (for example, through training, reasonable adjustments, confidential counselling through our free Employee Assistance Programme, advice through our partnership with the Business Disability Forum or other support).

More broadly, and in line with our Group Diversity and Inclusion Policy, we believe in treating all people with respect and dignity, ensuring fairness in all aspects of employment and making opportunities for training, development and progress available to all of our colleagues, including colleagues with disabilities and long-term conditions and neurodiverse colleagues. We support this with activities including our global colleague networks (further details are on page 115).

Further reading

- Our Anti-Bribery and Corruption Policy and Modern Slavery Statement can be found on our website spiraxgroup.com/governance-documents

Board meetings and annual cycle

Board and Committee meetings during the year

In 2025, there were seven scheduled Board meetings. Attendance at meetings of the Board and its Committees is detailed below. Meetings are typically attended by Directors who are members of the Board or relevant Committees. Non-Executive Directors may also attend meetings of Committees they are not members of, by invitation. Directors should attend all Board and relevant Committee meetings unless they have prior commitments, illness or conflicts of interest. Those unable to attend are sent the relevant papers and provide comments in advance. All Board and Committee members receive all meeting minutes.

During the year, meetings focused on:

- **Strategy:** progress on **Together for Growth**, sustainability (**One Planet**) and digital transformation as well as a two-day strategy session to review medium-term plans and long-term priorities
- **Risk and Audit:** Principal Risk reviews, internal controls and readiness for Provision 29 of the Code (effective 2026)
- **People and Culture:** talent development, succession planning and whistle-blowing updates
- **Governance:** Insider dealing prevention framework refresh and training, Committee membership refresh, Committee reports, legal matters and Remuneration Policy review ahead of the 2026 AGM vote

+ See pages 102 and 103 for further information

Board and Committee attendance

Directors during the Year	Committee Chair	Board	Audit	Colleague Engagement	Nomination [∞]	Remuneration	Risk Management
Non-Executive Directors							
Tim Cobbold	Nomination	7/7			4/4		
Maria Antoniou*	Remuneration	4/4		1/1	1/1	2/2	
Angela Archon		7/7		3/3	2/2	5/5	
Constance Baroude ^l **		7/7	2/2	3/3	2/2		
Peter France		7/7	5/5	3/3	4/4		
Richard Gillingwater		7/7	5/5		4/4	5/5	
Caroline Johnstone	Colleague Engagement	7/7	5/5	3/3	4/4		
Andrew Kemp***		1/1	1/1				
Jane Kingston****		5/5		2/2	2/2	3/3	
Kevin Thompson	Audit	7/7	5/5		2/2	5/5	
Executive Directors							
Nimesh Patel	Risk Management	7/7					3/3
Louisa Burdett		7/7					3/3

* Joined the Board 1 June 2025.

** Joined the Audit Committee 12 August 2025.

*** Joined the Board 1 November 2025.

**** Stepped down from the Board 30 September 2025.

∞ Composition of the Nomination Committee was streamlined in August 2025, with Maria Antoniou, Angela Archon, Constance Baroude^l, Jane Kingston and Kevin Thompson all stepping down.

Board oversight and governance activities

The Board receives regular reports on the Group's key activities and updates from the Chairs of the Audit, Nomination, Remuneration and Colleague Engagement Committees at each scheduled meeting. The Board is kept informed of significant upcoming events, strategic developments, investor relations, legal matters and issues relating to environmental sustainability and health and safety.

The Board holds overall responsibility for the stewardship of the Group's risk management framework and internal control environment. The Board reviews and performs a robust assessment of the Group's Principal and emerging risks and uncertainties at least annually. The work of the Audit Committee and the Risk Management Committee supports this oversight. The Board remains satisfied with the effectiveness of the Group's risk assessment, monitoring and internal control processes and continues to support ongoing improvements in these areas.

To ensure compliance with the Code, the Audit Committee, with support from the Risk Management Committee, is strengthening the risk management framework and internal controls underpinning the Group's reporting. These enhancements ensure readiness for Provision 29 of the Code, effective from 1 January 2026 (see Risk Management Committee report, page 125 and Audit Committee Report, page 127). Further information on this work can be found in these Committees' reports on pages 124 and 127. As explained earlier in the Report, from April 2026 we are expanding the Audit Committee's remit to include risk more fully. This will streamline governance by integrating financial, control and risk oversight in line with best practice and emerging risk complexity.

Board meetings and annual cycle continued

Board oversight and governance activities continued

Effective governance depends on strong information flows. We ensure that agendas are forward looking and papers are concise and tailored and we regularly ask senior leaders to present to the Board. Independent sessions with our external Auditor, Deloitte and remuneration consultants, Korn Ferry, ensure robust challenge and objectivity. The Audit Committee and the Remuneration Committee each hold independent sessions with the external Auditor, Deloitte and remuneration consultant, Korn Ferry, respectively. This ensures robust challenge and objectivity. The Board confirms no Director has any connection with these firms.

The Colleague Engagement Committee also meets independently with groups of colleagues to gather insights and feedback. Read more details on colleague engagement, including topics raised and the Group's responses, on pages 115 to 120.

The Board holds an annual two-day strategy session focused on long-term planning, with GEC members presenting strategic papers on finance, technology, growth and stakeholder engagement. The Board receives regular updates from the Group General Counsel and Company Secretary on whistle-blowing arrangements.

Standard items on Board calendar

Strategy

The Board considered key areas of strategy and progress made towards the delivery of the **Together for Growth** Strategy.

- Group strategy framework
- Medium-term plans for all three Businesses
- Corporate strategy
- **One Planet: Engineering with Purpose** Sustainability Strategy (moving forward as the **One Planet** Roadmap)

Audit and risk

- Annual Risk Review
- External financing facilities
- Principal Risks deep dive
- Tax and treasury updates
- Whistle-blowing reports

Performance

- Monthly, quarterly, biannual and annual trading, as appropriate*
- Company share performance and shareholder/analyst feedback*

- Business reviews and senior management presentations
- **One Planet** performance updates (moving forward as the **One Planet** Roadmap)

Culture and people

- HR and talent
- Whistle-blowing
- Colleague Engagement Survey

Sustainability, health and safety

- Health and Safety*
- **One Planet** updates (moving forward as the **One Planet** Roadmap)

Governance

- Updates by Committee Chairs*
- Updates on material legal and Governance matters*
- Remuneration Policy update
- Committee membership review
- Matters reserved to the Board and Committee Terms of Reference reviews

* Standing items at every scheduled Board meeting.

How the Board spent its time



Board effectiveness review

Our Board is committed to continuous improvement. In 2025, we appointed Lintstock, on a three-year cycle, to conduct an external review of the Board and its Committees. We consider that this engagement will enable Spirax Group to work with Lintstock to ensure that the review recommendations are implemented and best practice guidance is met. Lintstock is an advisory firm that specialises in Board reviews and has no other connection with the Company or individual Directors. Year one includes an extensive Board review, supported by broad engagement with the Board, including surveys and individual interviews. Year two and three will be survey-led reviews.

<p>Scoping and tailoring September 2025</p>	<p>The scope and objectives of the review were agreed following several briefing meetings with Lintstock.</p> <p>Lintstock collaborated with Company Secretariat, the Chair and Committee Chairs to design a bespoke survey tailored to Spirax Group and the Board. As well as covering core aspects of governance such as information, composition and dynamics, the review considered people, strategy and risk areas relevant to the performance of Spirax Group. The review had a particular focus on the following areas:</p> <ul style="list-style-type: none"> • Recent Non-Executive Director appointment and induction processes • The Board's oversight of the Together for Growth Strategy • How the Board's composition and skills should evolve to continue to support effective oversight
<p>Completion of surveys October 2025</p>	<p>Surveys were distributed to Board, Executive Committee members, other senior managers, key Board advisers and external stakeholders to evaluate the Board, its Committees and the Chair. Each Director also completed a self-assessment questionnaire addressing their own performance.</p>
<p>Observation October 2025</p>	<p>A Lintstock representative observed Board and Committee meetings and reviewed the accompanying papers, gaining insights on the Board dynamics and conduct of meetings.</p>
<p>Interviews October – November 2025</p>	<p>In-depth interviews with Board members and Executives were conducted by two Lintstock Partners. The findings from the survey stage enabled Lintstock to focus discussions on the priorities for each interviewee.</p>
<p>Analysis and delivery of reports November 2025</p>	<p>Lintstock analysed the findings from the surveys, as well as its observation and interviews it had conducted and delivered its findings, together with its observations and recommendations.</p>
<p>Board discussion December 2025</p>	<p>The results of Lintstock's evaluation for the Board were shared with the Chair and circulated to the rest of the Board and then discussed at the December Board meeting. Actions were agreed for implementation and monitoring. Each Committee Chair also received the results of the evaluation conducted for their respective Committee, which they have used to inform Committee discussions and actions for 2026.</p>

Lintstock found that the Board and Executives engaged well with the Board review process, providing a number of useful insights to support continuous improvement.

With the Board's membership in transition, following recent changes across Board and Committee Chair positions, many of the review's findings relate to how best to address Board composition and ensure that the Board is well supported to oversee the execution of the Group's **Together for Growth** Strategy.

The review identified a number of priorities, including:

- Develop the approach to refine the mapping of Board skills and experience and consider how Board composition should evolve over the longer term
- Further strengthen Non-Executive Directors' engagement with management to deepen strategic insight and reinforce high-quality oversight and decision making
- Broaden the Board's external focus and provide additional training to support its oversight of risk in a fast-changing environment, including providing customer and competitor insights
- Review the remit of the Nomination Committee to include skills assessment, rotation planning and Executive succession planning visibility
- Support the new Audit Committee Chair and the expansion of the Committee's remit
- Support the continued embedding of the Colleague Engagement Committee's remit, ensuring it continues to provide a robust and effective channel for meaningful colleague insights and constructive feedback
- Build on the Remuneration Committee's proactive engagement with shareholders in 2025 to remain attentive to shareholders and broader stakeholders while also continuing the Committee's work to align with UK regulatory changes

Board composition, division of responsibilities and succession

Board composition and division of responsibilities

At 31 December 2025, the Board comprised a Non-Executive Chair, two Executive Directors and eight independent Non-Executive Directors, including one appointed as Senior Independent Director.

The Board's governance arrangements align with the Code, with clearly defined and documented responsibilities for the Chair, Group Chief Executive Officer, Senior Independent Director and the Board Committees. The roles of Chair and Group Chief Executive Officer are distinct and separately held, ensuring a clear division between Board leadership and the Group Executive Committee (GEC). This structure prevents any individual or group from dominating decision making. All Non-Executive Directors, including the Chair, are considered independent.

Board succession and tenure

Succession planning remains a priority, with diversity embedded in recruitment and development activities. The Nomination Committee regularly reviews succession plans in line with strategy, business needs, tenure and diversity (see pages 122 and 123).

Director appointments and replacements are governed by the Articles of Association, the Code and the Companies Act 2006. Shareholders can amend the Articles by special resolution. Directors may be appointed by ordinary resolution of shareholders or by Board resolution. In accordance with the Code, all Directors, including the Chair, stand for election or re-election as specified. Board recommendations on appointments and reappointments are detailed in the Nomination Committee Report (page 123).

The service contracts for Executive Directors can be terminated with 12 months' notice. Non-Executive Directors' appointments can be terminated with one month's notice, while the Chair's appointment requires three months' notice for termination. Further details regarding the Directors' service contracts are available in the Directors' Remuneration Report on page 152.

Induction and development

New Directors receive formal induction training, with further details provided in the Nomination Committee Report on page 123. Ongoing, tailored training is available upon request, reflecting individual skills and experience. The Board undertakes annual governance training, while the Audit Committee arranges yearly ESG and financial training.

Directors receive regular updates on business developments, legislative and regulatory changes and have access to a resource centre. Directors also have access to the Group General Counsel and Company Secretary for advice and are encouraged to request additional training as needed.

External listed company appointments and conflicts of interest

The Board permits Directors to hold external roles provided these do not give rise to material conflicts of interest or impair their ability to fulfil their duties. Such roles can enhance the skills and experience they bring to the Company. Directors must disclose all external appointments and significant time commitments upon appointment and notify the Chair and Company Secretary of any changes during their tenure. New positions require Chair approval and are reported to the Board. Significant changes in

commitments are discussed with the Chair. The Board acknowledges the importance of Directors having enough time to perform effectively and has reviewed their external commitments, and concluded each Director has sufficient time for the Company.

At each Board meeting and annually, Directors confirm their external appointments to identify any potential or actual conflicts. As announced in February 2026 the Chair approved the appointment of Louisa Burdett as a Non-Executive Director of SEGRO plc from 1 May 2026 and the appointment of Maria Antoniou as Non-Executive Director and Chair of the Remuneration Committee of Victrex plc effective from 1 September 2026.

Further details are provided in the Directors' biographies on pages 106 and 107.

The number of external appointments held by Non-Executive and Executive Directors as of 31 December 2025.

Non-Executive Director	No. of other Non-Executive/Chair roles	No. of other Executive roles	Total no. of mandates (in accordance with ISS guidelines) including Spirax Group
Tim Cobbold (Chair)*	—	—	2
Nimesh Patel (CEO)	—	—	3
Louisa Burdett (CFO)**	1	—	4
Richard Gillingwater	1	—	2
Maria Antoniou	—	1	4
Angela Archon	1	—	2
Constance Baroudel	—	1	4
Peter France***	—	—	1
Caroline Johnstone	—	—	1
Andrew Kemp	1	—	2
Kevin Thompson	1	—	2

* Tim stepped down as Chair and Non-Executive Director of TI Fluid Systems plc in April 2025.

** Louisa stepped down as Non-Executive Director of RS Group plc in January 2026.

*** Peter stepped down as Chief Executive Officer of TT Electronics plc in April 2025.

In the table above only positions in listed companies or equivalent in other jurisdictions are included, in line with Institutional Shareholder Services and other proxy adviser guidelines.

Anyone holding more than five mandates at listed companies is considered overboarded. For this calculation, a Non-Executive Directorship counts as one mandate, a Non-Executive Chair counts as two and an Executive Director counts as three mandates.

Register of conflicts

The Board reviews potential conflicts between Directors and the Company. Situational conflicts must be reported to the Board for approval as they occur, despite a Director's duty to avoid them. Transactional conflicts should be notified to the Board at the next meeting, where the Board will decide, without the involved Director, whether to approve and how to manage the conflict.

Embedding our culture

Enabling performance, accountability and trust

Our culture underpins how we deliver our strategy and adapt for the future. It shapes how decisions are made, how colleagues collaborate and how we balance performance with responsibility. In the context of our **Together for Growth** Strategy, culture is a key component: enabling pace, accountability and consistent standards across a more simplified and connected Group.

The Board is clear that a strong, healthy culture is not static. As the Group evolves, the Board's role is to ensure that our culture continues to support effective execution, responsible behaviour and long-term value creation for all stakeholders. This requires active oversight, regular insight and a willingness to challenge where outcomes or behaviours are misaligned with our Purpose, Values or strategic priorities.

Board Diversity Policy

Diversity is embedded at the core of our approach to Board composition and guides the recruitment process for new Board members, ensuring a balance of skills, backgrounds and perspectives to strengthen decision making. Our Board Diversity Policy promotes inclusive membership across the Board, its Committees and the Group Executive Committee, supporting effective governance and long-term success for shareholders and stakeholders. The policy is available at spiraxgroup.com/governance-documents.

Additional information on Board and Committee diversity and succession planning can be found in the Governance at a Glance table on page 105 and the Nomination Committee Report (pages 122 and 123).

Our culture is rooted in our Purpose, Vision and Values, not as standalone statements, staying true to these supports our decision making, behaviours and stakeholder engagement.

- We are defined by our Purpose. To create sustainable value for all our stakeholders as we engineer a more efficient, safer and sustainable world
- Our Vision sets out what we aspire to achieve and helps colleagues and other stakeholders understand the five important characteristics that will shape our future, as we evolve and adapt to meet the changing needs of our customers and broader stakeholders
- Our Values support how we work, guiding our conduct, decision making and collaboration across the Group

Together, they form the foundations of our culture and are actively embedded through leadership behaviours, strategic alignment across the organisation and active colleague engagement. We reinforce this through consistent communication, recognition of Values-led behaviours and ongoing monitoring to ensure alignment as our Group evolves.

How the Board monitors and understands culture

The Board takes a multi-source, evidence-based approach to understanding culture across the Group. It combines qualitative insight with key data and metrics to build a rounded view of how culture is experienced in practice and how it is influencing performance, risk and decision making.

Key elements of this approach include:

- **Board role-modelling behaviours aligned to Values:** such as Collaboration, Integrity and Excellence and integrating all core Values into planning, risk management and transformation programmes to ensure Board decisions reflect our Purpose and Vision
- **Listening directly to colleagues:** through structured and informal engagement, site visits and facilitated discussions, enabling the Board to understand how inclusive our culture is in practice and to test whether strategic intent and Values are understood and lived at all levels
- **Using formal metrics and surveys:** to monitor engagement, enablement, safety and inclusion, helping the Board to identify trends and to track progress against our diversity and wellbeing ambitions over time
- **Reviewing people, ethics and sustainability indicators:** including whistle-blowing, conduct matters and responsible business performance, to understand how behaviours, decision making and outcomes align with our Values and long term sustainability objectives
- **Embedding culture into governance and decision making:** with regular consideration of culture, inclusion and responsible business impacts in Board and Committee discussions on strategy, risk, performance, succession and reward
- **Seeking independent assurance and challenge:** drawing on internal audit, specialist functions and external perspectives to provide confidence that cultural, inclusion and sustainability commitments are supported by effective controls and are being applied consistently across the Group

From insight to action

Where the Board identifies gaps between intended and actual behaviours, it expects clear ownership and targeted action from management. This may include changes to leadership focus, capability building, incentives or controls, ensuring that culture continues to reinforce, rather than impede, strategic delivery.

The case study on page 64 of this Report illustrates how this approach operates in practice: combining insight from engagement and data with Board level challenge and translating that into tangible actions that strengthen accountability and alignment across the Group.

Through this ongoing cycle of insight, challenge and action, the Board remains confident that our culture is evolving in step with the Group's Vision, supporting disciplined execution today while reinforcing the foundations of a responsible, resilient, High Values, as well as High Performance business for the long term.



Colleague Engagement Committee Report



Committee role and responsibilities

The primary focus of the Committee is ensuring colleague views are heard and fully considered in Board decisions. The Committee provides oversight of and makes recommendations to the Board on all aspects of colleague engagement and acts as a conduit for the voice of our colleagues, ensuring their views are heard in Board discussions and taken into considerations in Board decisions. Through its work, the Committee also aims to contribute meaningfully, enhancing colleague experience.

Caroline Johnstone is the Chair of the Committee and also serves as the designated Non-Executive Director for colleague engagement, having held a number of people leadership roles in PwC and other businesses. The Committee continues to serve as the Board's designated mechanism for workforce engagement, in accordance with the UK Corporate Governance Code 2024 (the Code). The Terms of Reference are reviewed regularly, to ensure they remain fit for purpose, enabling the Board to meet the relevant requirements of the Code and of Section 172 of the Companies Act 2006.

During 2025, the Committee was also supported by Jim Devine, Group HR Director and Sarah Petherick, Group Head of Colleague Experience.



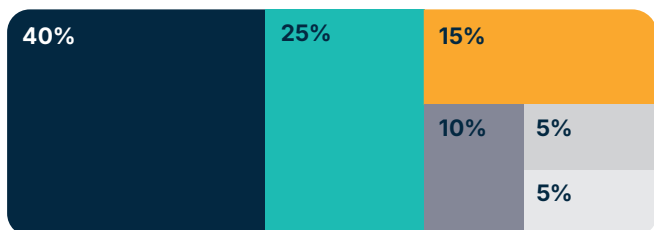
Colleagues are motivated and energised by the Group's **Together for Growth** Strategy. They see how this can benefit the Group and allow them personally to develop. In 2025, they also reflected on a period of change in the Group, which has been challenging for some. We continue to create a differentiated colleague experience, an exciting and demanding, yet supportive and caring, environment where everyone can develop their full potential."

Caroline Johnstone
Chair, Colleague Engagement Committee

Committee membership

Caroline Johnstone (Chair)	* Maria joined the Committee
Angela Archon	1 June 2025.
Maria Antoniou*	** Jane stepped down
Constance Baroudel	30 September 2025.
Peter France	
Jane Kingston**	

How the Committee spent its time %



- Colleague engagement and discussions
- Focus group feedback
- Senior leadership discussion and updates on colleague engagement
- Colleague engagement planning and follow-up
- Committee governance
- Annual Report review

Committee activities and meetings

The Committee held three meetings in 2025. Our Group Chief Executive Officer and Chief Financial Officer attended all Committee meetings, providing insights into colleague engagement and Executive reflection on feedback from our colleagues. Other Non-Executive Directors also regularly participated in meetings and engagement activities. Non-Executive Directors joining the Board have also attended and found this forum to be a rich and useful source of information as part of their onboarding process. After each meeting the Chair reports key insights and actions to the Board.

The Committee's activities include both structured, two-way dialogue and informal one-on-one interactions between the Committee members and colleagues.

- **A structured programme of engagement activities** that enables the Board, particularly Non-Executive Directors, to maintain consistent and meaningful dialogue with colleagues across the Group. These face-to-face interactions with colleagues in their own environment provide the Committee with insight into the day-to-day opportunities and challenges of the Group and our colleagues
- **Participating in Board visits and informal engagement with colleagues.** Non-Executive Directors met with a wide range of colleagues when the Board visited the Businesses in Brazil in 2025. They also participate in the Group's 'Coffee talks' initiative whereby, each quarter, they are randomly paired with a colleague from any level of the organisation to have a 30-minute conversation which covers what it is like working in the Group as well as sharing how the Board contributes to the Group. This year, we have made a particular effort to include colleagues from Vulcanic and Durex Industries that became part of our ETS Business in 2022
- **Overseeing the Group's biennial global Colleague Engagement Survey**, including the approach, results and implementation of resulting action plans. The Committee ensures that insights from the survey are used to inform leadership decisions and drive continuous improvement. The Group has analysed responses from the perspectives of five different colleague experiences, whether they be desk-free or offline colleagues, colleagues from large or small operating companies or those in functional or operational roles. These insights will enable more tailored actions and communications to drive further clarity, engagement and a stronger sense of belonging

Colleague Engagement Committee Report continued

Committee activities and meetings continued

- **Engaging regularly with senior management** to understand how engagement is undertaken across the Group and to share best practices that support a strong and inclusive culture. This year, we heard from ETS and each of our Brazilian Businesses and we reflected on how our Businesses have responded to and engaged colleagues in the Group's **Together for Growth** Strategy as well as the very different environment, opportunities and challenges in each Business and the importance of tailoring engagement for each area
- **Ensuring workforce policies and practices are consistent with the Group's Values and support its long-term sustainable success.** We held a discussion on what future talent wants and how we are addressing this
- **Supporting the Audit Committee** in ensuring that mechanisms for raising concerns, such as whistle-blowing arrangements, are accessible and well communicated and allow colleagues to speak up confidentially and without fear of retaliation

Reviewing the effectiveness of our approach to workforce (colleague) engagement

The Board regularly reviews its mechanism for workforce engagement as required by the Code and has again concluded that the current arrangements, with a dedicated Committee for colleague engagement, work well and reflect:

- The scale, diversity and complexity of our global operations across varied operating companies and geographies
- The benefits of focused time and attention on colleague engagement, reinforcing the Group's Purpose, Vision and Values
- Consistent feedback from colleagues highlighting the benefits of direct interaction with Board members, which fosters open dialogue and meaningful exchange
- Consistent validation from leadership that colleague feedback from Board level engagement is helpful in adding to and providing a different lens to their own discussions and engagement activities
- The work undertaken by the Committee contributing to how the Board monitors and assesses culture and how culture is embedded in the organisation

The approach to workforce engagement is designed to be strategic, inclusive, practical and aligned with our Purpose and Values. Moreover, the three-year outline plan of activities, described in this report are regularly reviewed and adapted allowing the Committee to keep its engagement mechanisms fresh, relevant and effective, in line with the requirements of the Code.

Committee effectiveness and performance

To ensure our approach to workforce engagement remains effective and aligned with best practice, the Committee conducts an annual benchmarking exercise, reviewing how peer organisations, particularly within the FTSE 100, approach workforce engagement. Committee members also share insights from their broader experience across industries, highlighting practices that have proven to be effective in other organisations. Our review also considered the FRC's 2024 Code Guidance.

While our review concluded that no significant changes were required to our current approach, we remain committed to continuous improvement and to align with the new Code, which places greater emphasis on the Board's role in assessing how the desired culture is embedded.

In 2025, Lintstock conducted a review of the performance of the Colleague Engagement Committee as part of the external Board effectiveness review process. Further details of the Board effectiveness review are set out on page 113.

Lintstock found the Colleague Engagement Committee to be both a unique and successful governance construct which is valued by both Non-Executive and Executive Directors. The Committee has also been effective in highlighting occasional divergence between intended plans and their implementation in practice, giving management the opportunity to course-correct. There are material benefits to signalling the Group's commitment to its colleagues and how much they are valued, together with giving more discussion time to the people agenda.

The review suggested enhancing the Committee's existing annual benchmarking exercise and exploring again if there were any other innovative engagement mechanisms which prove most effective in other businesses (broader feedback trends as well as engagement mechanisms).

Chair's review of 2025

I have reported before that I am struck by the open nature of discussions I have with colleagues across the Group, which has continued in 2025. Direct engagement with a Board member continues to be cited by colleagues as a demonstration of our open and inclusive culture, positively contributing to their own levels of engagement. In a period of change, it was even more important for colleagues to tell us what they see as strengths and opportunities for improvement which are summarised on page 120. This is a key part of monitoring our culture across the Group and adding insight to our Board decision making.

The focus of many discussions with our colleagues this year was the **Together for Growth** Strategy and colleagues were very positive, energised by the customer focus and the momentum being created. We also heard that the changes in some parts of our organisation to face the market more directly had been clearly articulated, although some colleagues had found the change challenging and it had taken time to embed working across territories where that made sense to do so. We provided feedback on the themes more quickly this year, which allowed management to reflect and react to colleagues' experiences.

The Committee has challenged and is satisfied that we have a good approach to colleague engagement, which supports our strategic focus on building a resilient, inclusive culture, enhancing operational effectiveness, driving sustainable growth and ensuring that our colleague engagement plans adapt and continue to meet the changing needs of the organisation and our colleagues.

I would like to extend my sincere thanks to Jane Kingston for her contribution to the Committee since its formation in 2019. Her deep expertise in all people matters, as well as her insightful perspectives on colleague engagement and culture, has been important as we developed the Committee remit. Maria Antoniou succeeded Jane on the Board and I am pleased to welcome Maria as a member of the Colleague Engagement Committee. Maria also brings deep experience in people matters and transformation.

Key activities in 2025

Colleague engagement through focus groups and Board visits

In 2025, we held 11 focus groups involving over 100 colleagues, including meeting with those leading on safety with graduates and apprentices, as well as colleagues based in Brazil, the UK and Spain, across all three of our Businesses. These discussions provide direct dialogue between colleagues and Board members, offering invaluable insight into day-to-day experiences and helping shape decisions aligned with our Purpose, Vision and **Together for Growth** Strategy.

Focus groups were hosted by me and/or another Non-Executive Director (if it enabled discussions in the local language), sometimes with interpreters to enable local language discussions both in person and virtually to maximise reach.

Board visits and focus groups during the year enabled engagement with colleagues globally, including in person in Brazil, Spain and across UK sites. Meeting colleagues in their own environments deepens our understanding of operational challenges and opportunities, supporting cultural monitoring and embedding across the Group.

Structured engagement programme

The Committee reviewed and approved a three-year rolling programme for Board-led colleague engagement, designed to ensure we cover all areas of the Group, over a period. We wanted to develop some principles to guide how we choose which colleague groups to meet with and how often. We are aiming to hold discussions with our larger operating companies at least once every three to four years. This mirrors some of the discipline of our internal audit rolling plans, but we will constantly review and adapt the programme, based on what we are hearing and also responding to external and internal events and a changing environment.

The three-year rolling programme is another stage of evolution for us and we will monitor how effective this is. Examples of the key themes in scope are:

- **Together for Growth** Strategy: build on colleague insights and cultural alignment
- **Customer obsession**: culture drives deep customer relationships and anticipates future need
- **Decarbonisation leadership**: culture supports innovation in electrification and sustainability
- **Global listening tour**: CEO-led initiative to embed cultural feedback into strategic planning

We also considered how we as a Board oversee the culture across the organisation and what peers are doing in this area. We will continue these discussions on our approach in 2026.

Strategic impact

Insights from these engagements are regularly reported to the full Board and have directly informed discussions on key strategic priorities, including:

- Assessing progress of and alignment to the **Together for Growth** Strategy
- Ensuring the Group's Values and ways of working supported our colleagues during a period of organisational transformation
- Talent retention and development
- Operational resilience and innovation
- Colleague wellbeing and inclusion

Being connected to the evolving views and needs of our workforce helps us ensure we stay close to our Purpose and support our Vision and growth ambitions.

Direct colleague engagement and follow-up

- 11 structured focus groups involving over 100 colleagues from different areas of the Group (seniority, geography, Businesses and functions)
- The Committee Chair attended the Graduate Conference held in Cheltenham (March 2025)
- Site visits by the Board included STS and WMFTS Brazil (June 2025)
- The Chair and members of senior management visited the STS, WMFTS and ETS Businesses based around Barcelona (October 2025)

Senior leadership discussions and updates on colleague engagement

- Business discussions: in 2025, leaders from STS Brazil, WMFTS Brazil and ETS presented updates, following the restructuring, to the Committee
- Feedback of themes to senior management following each of the focus group discussions and received responses, with actions taken as a result of the feedback

Current engagement practices and engagement survey results

- The Committee reviewed the approach to the 2025 Colleague Engagement Survey and considered the response rate
- Annual benchmarking with FTSE peers of our engagement approach

Colleague Engagement Committee Report continued

Themes from our 2025 colleague focus groups

Our Group's strengths

A safety mindset 'first and foremost'

Safety is consistently seen as the strongest Group Value. New colleagues say that we aspire for higher standards of safety than their previous experience. They also feel comfortable and encouraged to challenge appropriately. Even so, there is no complacency and there are still areas of improvement required, with colleagues agreeing the need to continually reinforce safety as everyone's responsibility rather than being owned by a dedicated team and being even more consistent across the Group.

Growth

Many colleagues are energised by the Group growth strategy, seeing it as an opportunity for learning, development and career progression. They also recognised that hard decisions have had to be made to enable growth. In some cases, colleagues were feeling the direct impacts of this within their teams, such as undergoing structural changes and seeking to provide additional support to colleagues with new responsibilities.

A strong, Values-based culture and feeling of belonging to supportive teams

The culture is described as the reason for many colleagues' long service. We hear a strong sense of community, teamwork and the Group's support during personal challenges. Many sites talked of leaders being visible and approachable, positively impacting morale and a sense of accountability whilst also seeing any issues first hand and wanting to address the root cause.

A human approach

Colleagues value the supportive environment, flexibility and benefits provided by the Group, often citing these as reasons for loyalty and engagement. Managers also speak fondly of these (e.g. Carers leave, Employee Assistance Programme) as they feel the Group helps them in supporting their teams when individuals face difficult times.

Our Group's opportunities for improvement

Collaboration

As changes to structures enable more opportunities for collaboration and we hear positive examples of team support and cross-geographical connections, some silos persist, especially between sales and supply or across OpCos. There is support for greater focus on knowledge sharing and consistent excellence for our customers through new connections and better system usage.

Systems and processes for efficiency

Our long-term investments in systems are recognised by colleagues and some are seeing the benefits in certain areas, such as the use of generative AI in developing MiM. Co-developed with teams across the Group, MiM is being designed to give sales engineers instant access to trusted internal content like our product manuals, data sheets, training decks and case studies without the need to search through folders, websites or inboxes and thereby providing a better customer experience. There are still improvements needed to make it easier to work effectively, with greater connectivity across the Group to allow increased focus on opportunities.

Managing change

Many groups described ongoing or recent restructuring which can create short-term challenges in how they maintain clarity and alignment while delivering against targets. This has been heard by leaders and efforts are being made to align global, divisional, geographic and local objectives through various strategy deployment methods and people processes (e.g. performance management). There is ongoing effort to ensure managers are supported in implementing the changes and managing team engagement throughout. We also heard that long-servicing colleagues who continue to deliver outstanding results do not always feel recognised.

Management actions arising from our colleague engagement

The Committee shares and discusses the general themes from each focus group with local and divisional management and we ask them to share with the Committee any actions that arise from the feedback. This has proved to be very effective; just a few examples of action taken include:

Discussion Group Feedback	Management Action:
Organisational changes – teams were restructured from country-based to regional models. This transition led to language and other operational challenges that required specific attention.	These issues were fed back to senior management, who were able to adapt the programme of support and open dialogue already being implemented. For areas that have undergone significant change, leaders continue to engage teams at the functional level, strengthening clarity on roles and responsibilities. Q1 sales conferences will provide a key platform to reinforce expectations, share the 2026 vision and support consistent communication of the operating model.
Safety – investments in talent A robust safety mindset and positive culture are firmly embedded across our global teams. Further improvements suggested include additional investment in talent and functional capability.	The insights from the Global Safety Community Focus Group provided strong validation for our global safety approach. The challenges and considerations identified are consistent within the EHS roadmap and served as a reference point for progress. 2026 plans include additional investment in safety functional training and further developments in safety standards informed by the findings of the focus group.
End-to-end process co-ordination along with communication and engagement activities were identified to be areas for improvement at one of our larger supply sites.	Local leadership carefully listened to the focus group feedback. They have since introduced a self-directed teams/continuous improvement approach across sites to aid co-ordination. They have improved and streamlined communication platforms and committed to a more encompassing approach to engagement action planning whilst also stepping up their presence at the Voice – a monthly colleague forum to hear colleagues' concerns.
The retention of colleagues and knowledge in smaller operating sites in Latin America.	These issues were fed back to senior management. They have since strengthened their retention approach by reinforcing recognition and engagement initiatives and planning market salary reviews for the coming year. In parallel, they have increased focus on retaining technical expertise through enhanced knowledge sharing, technical training and cross-country collaboration within the commercial teams.

I am happy to answer any questions or take any feedback on our Committee activities at any time and at our Annual General Meeting in May.

Caroline Johnstone

Chair, Colleague Engagement Committee
9 March 2026

Committee focus for 2026

- Implementing our three-year rolling programme for Board-led colleague engagement, incorporating the following principles:
 - Regular coverage of all large scale, critical value OpCos
 - Clustering of some OpCos to ensure wide coverage of geographies
 - Engaging with cross-Business groups, such as sales and supply GMs, cross-Business functional groups and inclusion networks
 - Regular tailoring of the programme in line with insights, feedback and the operating environment
 - Adapting the approach to 'Coffee talks'
- Deep-dive review of the results of the 2025 Colleague Engagement Survey and oversight of the action plans resulting from the survey
- Focus on the impact of the drive for growth and the use of AI across the Group - with a theme of 'customer obsession'

Nomination Committee Report



“Maintaining a diverse, high-performing Board.”

Tim Cobbold
Chair, Nomination Committee

Committee membership

- Tim Cobbold (Chair)**
 Maria Antoniou*
 Angela Archon*
 Constance Baroudele*
 Peter France
 Richard Gillingwater
 Caroline Johnstone
 Jane Kingston*
 Kevin Thompson*
- * On 12 August 2025, following a review of Board Committee composition, the Nomination Committee was streamlined and Maria Antoniou, Angela Archon, Constance Baroudele, Jane Kingston and Kevin Thompson stepped down from the Committee.

How the Committee spent its time %



- Succession planning
- Board and Committee composition
- Board effectiveness

Committee role, responsibilities

The Nomination Committee, comprising solely of Non-Executive Directors, supports the Board in maintaining an effective, diverse and strategically aligned leadership team. Its responsibilities are set out in the Committee Terms of Reference, which can be found at spiraxgroup.com/governance-documents and include:

- Reviewing Board structure, size and composition to enhance performance
- Matching skills and experience to the needs of the **Together for Growth** Strategy
- Overseeing succession planning
- Reviewing and monitoring diversity, potential conflicts and time commitments

Membership and attendance

Following a review of the Board Committee composition and with a view to improve effectiveness and agility, the Committee’s membership was streamlined and reduced to four members from 12 August 2025. The Committee met three times during the year. Details of attendance in 2025 can be found on page 111.

Succession planning, Board and Committee composition

A year of significant transition

- My role as Chair formally commenced in January 2025 and I am extremely grateful for the support of the entire Board and Group Executive Committee (GEC) in ensuring a smooth transition
- Maria Antoniou joined the Board in June and became Chair of the Remuneration Committee in September
- Andrew Kemp joined the Board in November as a member of the Audit Committee and Audit Committee Chair Designate. He will succeed Kevin Thompson from 1 April 2026

These appointments followed a rigorous external search process, guided and aligned to our Board Diversity Policy and the UK Corporate Governance Code 2024 (the Code). The Committee reviewed the current Board composition and the required skills and experience in accordance with the Code and the UK Listing Rules and established search criteria, with guidance from Spencer Stuart. The Board confirms that there are no connections between the Directors and Spencer Stuart. The process included the selection of a list of suitable candidates, from which a shortlist was prepared. This was followed by an extensive interview process, with various Committee and Board members taking part, before the Nomination Committee recommended the preferred candidate to the Board for formal approval.

Maria and Andrew bring valuable expertise, in remuneration and audit respectively, strengthening the Board’s ability to deliver long-term success.

As reported in the 2024 Annual Report and Accounts, after nine years serving the Board, Jane Kingston stepped down from her role as Chair of the Remuneration Committee in June and retired at the end of September, after a transition period supporting Maria. As announced in October 2025, Kevin Thompson will retire from the Board and as Chair of the Audit Committee after the 2026 AGM. Kevin has been working with Andrew to ensure a smooth transition, as Andrew steps into the role of Audit Committee Chair from 1 April 2026.

Details of the respective skills and experience of all Board and GEC members are set out on pages 106 to 108 and on the Group’s website.

Induction

Our two new Directors received tailored induction programmes covering:

- Strategy, culture and Values
- Governance framework and policies
- Meetings with Board, GEC and external advisers
- Access to key resources including Board papers, investor presentations and Committee Terms of Reference
- Maria's induction included remuneration-specific briefings; Andrew's focused on audit and finance

Further details are provided below. In addition, they also benefited from a detailed handover process, with Maria working alongside Jane Kingston before her departure and Andrew having the opportunity to work with Kevin until he steps down in May 2026.

Company introduction

Strategy, culture and Values.



Induction materials

Including meeting minutes, key governance reference materials, recent Board and Committee papers, strategy papers, investor presentations and copies of the schedule of Matters Reserved for the Board and the Board Committees' Terms of Reference.



Company policies and Board procedures

An overview of Board processes, Company policies, Board and Committee procedures and the governance framework, which includes Directors' duties and the Market Abuse Regulation.



Director and Executive briefings

Individual meetings with the Board, GEC members and external advisers.

Maria's induction programme also included a tailored briefing to understand the Group's remuneration framework and meetings with the Remuneration Committee external advisers. Andrew's programme included tailored audit and finance briefings and meetings with the Auditor.

Independence, time commitment and re-election of Directors

New Directors are advised of the time commitment expected from them on appointment. The Committee believes that each Non-Executive Director remains independent and is not overextended or unable to fulfil their duties to the Board.

- Maria Antoniou and Andrew Kemp will stand for election at the 2026 AGM
- Kevin Thompson will retire at the end of the AGM
- All other Directors will stand for re-election

The Board has concluded that the performance of each of the Directors standing for re-election continues to be effective and that these Directors demonstrate positive engagement with their role, including their time for the Board and Committee meetings and any other duties. An explanation of how they contribute to the success of the Company can be found in the Notice of AGM, which is available on our website spiraxgroup.com/governance-documents.

Inclusion, equity and wellbeing

Our Group Inclusion Plan aims to promote an inclusive, equitable and healthy future for all and puts inclusion at the heart of the Group's approach and activities. Our Board's perspective and approach are also greatly enhanced by all aspects of diversity, including gender, age and culture, along with commercial and industry knowledge. We value our talented and diverse colleagues and recognise their breadth of diversity as a competitive advantage.

Our Board and Committees comply with the Board Diversity Policy and our Group Diversity and Inclusion Policy, together with supporting the principles of our Everyone is Included Inclusion Plan and Group Inclusion Commitments. A copy of the Board Diversity Policy and the Group Diversity and Inclusion Policy can be found on our website spiraxgroup.com/governance-documents. The Board integrates diversity and inclusion into its annual review of talent management and succession planning. We place strong emphasis on fostering an inclusive culture and remain committed to advancing diversity across our Group. The Board Diversity Policy continues to guide our succession planning and appointments, ensuring a balance of diversity, skills and expertise.

Diversity information as at 31 December 2025, prepared in line with UK Listing Rules 6.6.6R(9) and 6.6.6R(10), is presented on page 68.

Board and Committee effectiveness and performance

In 2025, Lintstock, an advisory firm specialising in board and committee reviews, conducted a review of the performance of the Nomination Committee as part of the external Board review process. More information on the Board effectiveness review can be found on page 113.

The arrival of the new Chair has prompted the role of the Nomination Committee to be revisited and Lintstock's review found there is an opportunity to enhance the Committee's coverage of its full remit through a refreshed annual cycle that includes more systematic cadence for Board skills evaluation, planned reviews and Executive succession planning. These will form key areas of focus for the Committee in 2026.

I am happy to answer any questions on our Committee activities and will be available at our Annual General Meeting in May.

Tim Cobbold

Chair, Nomination Committee

9 March 2026

Focus for 2026

- Review and refresh the Committee's annual cycle, including a more systematic cadence for Board skills evaluation, planned reviews and Executive succession planning

Risk Management Committee Report



“Our proactive approach to identifying, assessing and mitigating risks, combined with a clearly defined risk appetite, is a key enabler of our sustainable growth.”

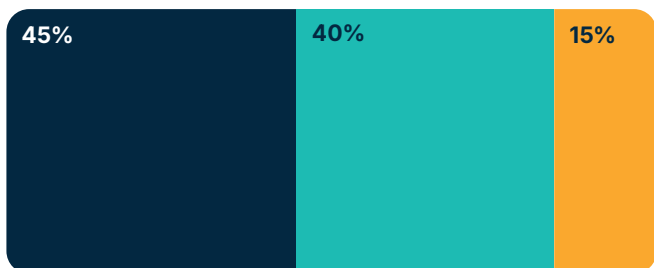
Nimesh Patel
Chair, Risk Management Committee

Committee membership

- Nimesh Patel (Chair)**
 Louisa Burdett
 Céline Barroche
 Jim Devine
 Maurizio Preziosa
 Andrew Mines
 Stuart Roby
 Maria Wilson
 Sarah Peers
 Dan Harvey*
 (Head of Internal Audit)
 Carmen Janse van Rensburg**
 (Head of Internal Audit)

* Dan Harvey stepped down from the Committee in June 2025.
 ** Carmen Janse van Rensburg joined the Committee with effect from September 2025.

How the Committee spent its time %



- Risk Register review
- Risk Management and Controls (including Key Risk Deep Dives)
- Results review and reporting

Committee role and responsibilities

The purpose of the Committee is to manage the identification, management and control of significant risks affecting the Group. It ensures that robust risk management policies and procedures are in place, covering all key areas of risk. The full Committee Terms of Reference can be found on our website spiraxgroup.com/governance-documents.

The Committee’s responsibilities include:

- Continuous top-down and bottom-up monitoring to strengthen our understanding of the risks facing the Group
- Recommending the Group’s appetite for individual and collective risks
- Assessing the velocity and potential impact of each risk
- Monitoring emerging risks on the horizon
- Managing risks within the Businesses, leveraging the expertise of our colleagues
- Identifying and implementing appropriate risk mitigation and controls

The Committee assists the Board in fulfilling its oversight responsibilities through the identification of Principal Risks ensuring risk reporting and control are integrated into strategic and operational decision making within the Group’s risk appetite.

We maintain ongoing top-down and bottom-up monitoring, providing timely insights and evaluations. These are used alongside Risk Appetite and Risk Velocity ratings for our Principal Risks to create an effective system for monitoring, planning and developing our Group-wide approach and culture to manage risk.

Group Principal Risks, our Risk Register and our controls feed into the Group’s viability assessment.

Changes to the Committee

Stuart Roby joined the Committee in his capacity as Managing Director of WMFTS in January 2025. Carmen Janse van Rensburg joined the Committee in September 2025 as the new Head of Internal Audit. Dan Harvey, the former Head of Internal Audit, stepped down from the Committee in June 2025.

As explained on page 111, in March the Board approved the broadening of the Audit Committee’s remit to encompass risk, effective from 1 April 2026, reflecting the Board’s commitment to robust governance and alignment with evolving best practice. The Board recognises that integrating oversight of financial reporting, internal controls and risk management within a single Committee ensures a holistic approach to and view of assurance. Therefore, the Risk Management Committee will cease to be a formal Committee of the Board and the Audit Committee will expand to include more formally and fully oversight of risk within its remit from 1 April 2026.

Key activities

In 2025, the Committee met three times, details of attendance at meetings can be found on page 111.

A summary of the Committee's activities throughout the year is set out below:

- Management of the enterprise risk management framework refresh programme
- Monitored the launch and embedding of a standardised business continuity programme at our most material sites
- Review, validate and recommend update of the Group Risk Register
- Principal Risk review including recommendations for updates to the Risk Velocity and Risk Appetite for these risks
- Regular updates on Principal Risks and emerging risks
- Review of key controls to support management of Principal Risks
- Continued review of the obligations and recent enhancements introduced under the UK Corporate Governance Code 2024 (the Code), in particular Provision 29, ensuring that our framework remains fully aligned with these requirements
- Final review of the 2025 Risk Register

The Principal Risks affecting the Group, before mitigation, are set out on pages 87 to 91.

Chair's review of 2025

Summary of key focus areas

Continuing to adapt to drive growth in a more volatile and uncertain economic environment has required continued close monitoring of the risks facing our Group. The elevated cybersecurity threat as well as managing tariff and currency risks have been key areas of focus and monitoring for the Committee.

We have also been tracking the emerging opportunities and challenges posed by fast-emerging technologies such as AI. The emergence of AI in particular offers significant opportunities including the ability to deliver enhanced customer experience while also capturing greater efficiencies. The pace at which AI applications are evolving makes it an imperative that we monitor carefully the impact on our organisation and that we develop a deep understanding of how to manage the associated risks. We currently monitor AI and its impact in a number of our Principal Risks and are taking a holistic approach to AI governance, with the oversight of our Board, as well as the Audit Committee.

Principal Risk review

The Committee further refreshed the Group's Principal Risks before these were submitted to the Audit Committee and subsequently to the Board for approval. Details of the process, outcome and rationale for changes made are set out in the Strategic Report on pages 84 to 86 with the Principal Risks set out on pages 87 to 91.

Geopolitical and macroeconomic risk

Global risks have continued to evolve, shaped by ongoing armed conflicts, heightened geopolitical tensions and the effects of domestic political events in major economies. These dynamics have contributed to persistent macroeconomic uncertainty and volatility, resulting in modest global growth. Rising protectionism and tariffs have further disrupted supply chains and increased barriers to global trade. Against this backdrop, we remain focused on monitoring and managing our Principal Risks to safeguard our financial performance and resilience.

Cybersecurity risk

Cybersecurity remains an area of focus with risks increasing due to the emergence of AI. A successful cyberattack has the potential to disrupt operations, compromise sensitive data and impact customer trust and regulatory compliance. During 2025, the Committee has increased its focus on cybersecurity risk, including regular reviews of the Group's resilience strategy and monitoring progress of its implementation, penetration testing results, employee training and incident response capability.

Enterprise risk management framework and UK Corporate Governance Code 2024

The revised Code came into effect for financial years beginning on or after 1 January 2025, introducing changes to governance practices, particularly around audit, risk and internal controls. We have continued to enhance our enterprise risk management framework to meet these requirements. We have also continued to focus on promoting greater alignment of our frameworks across risk, controls and assurance in support of our readiness to meet the requirements of Provision 29 of the Code, effective from the 2026 financial year.

Anti-Bribery and Corruption (ABC)

The Group remains steadfast in promoting a zero-tolerance policy towards bribery and corruption across all its Businesses. Read more about this, our Whistle-blowing Policy and the training we provide on page 69 of the Sustainability Report.

Risk Management Committee Report continued

Chair's review of 2025 continued

Board and Audit Committee oversight

The Board has overall responsibility for the effectiveness of the Group's internal controls and risk management frameworks. Management of the Group's risk management procedures and the operation of controls is undertaken by the Risk Management Committee. Further details on how the Board and Audit Committee manage this oversight can be found in the Audit Committee Report on pages 127 to 131, and the Strategic Report on pages 84 to 91.

Viability Statement

In accordance with Provision 31 of the Code, the Board has assessed the viability of the Group, taking into account the Group's current financial position, strategy, the Board's risk appetite and the potential impacts of the Group's Principal Risks. We set out the seven Principal Risks we have identified, along with our mitigation measures, in the Risk Management section of the Strategic Report which begins on page 84. The viability assessment and statement are set out in the Group Chief Financial Officer's Review on pages 38 to 43.

Nimesh Patel

Chair, Risk Management Committee

9 March 2026

Committee focus for 2026

The Board has decided to more fully align risk oversight with the Audit Committee's existing responsibilities for internal control and assurance. Therefore, from April 2026, the Risk Management Committee will no longer be a formal Committee of the Board and the Audit Committee will expand to include oversight of risk within its remit. The Group Executive Committee will continue to be responsible for owning and managing risk on a day to day basis and will review risk regularly, as part of its yearly cycle with a more operational focus, putting the Board's risk appetite and risk policies into action, monitoring emerging risks and ensuring controls are embedded, tested and evaluated.

The Group Executive Committee work will continue to advance:

- Evolving and adapting the enterprise risk management framework
- Greater alignment of the risk, control and assurance activities
- Preparing for the updated Code Provision 29 requirements
- Monitoring and analysing the Group Risk Register, Principal Risks, emerging risks and control effectiveness
- Focusing on enterprise system enhancements

Further reading

- Risk Management and Principal Risks: see pages 84 to 91

Audit Committee Report



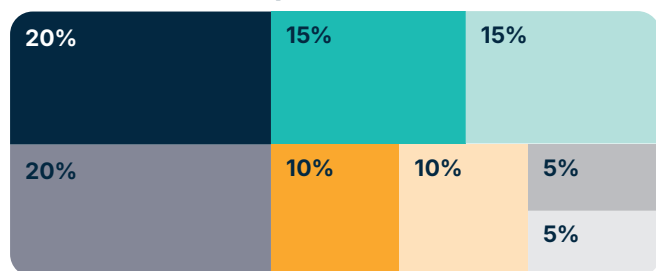
During 2026, the Audit Committee will evolve its existing responsibilities for internal control and assurance, to encompass risk more formally. This reflects the integrated nature of risk, control and assurance. We believe this is a natural evolution, which strengthens coherence and clarity in our governance.”

Kevin Thompson
Chair, Audit Committee

Committee membership

Kevin Thompson (Chair) * Joined in August 2025.
 Constance Baroude!* ** Joined in November 2025.
 Peter France
 Richard Gillingwater
 Caroline Johnstone
 Andrew Kemp**

How the Committee spent its time %



- External Reporting and External Auditor
- Financial Resilience, Risk Management and Internal Controls
- Corporate Governance and Whistle-blowing
- Internal Audit and Risk Reviews
- Sustainability
- Results Review and Reporting
- Presentations by Divisional Finance Directors
- Training and Technical Sessions

Chair’s review of 2025

The 2025 Audit Committee Report sets out the key areas of focus and activity of the Committee during the year ended 31 December 2025.

This is my final report as the Audit Committee Chair for Spirax Group, as I will be handing over the Chair role to Andrew Kemp at the end of March 2026, after the completion of the 2025 year-end process. Andrew joined the Board and Audit Committee in November 2025. I have found my tenure hugely interesting and rewarding and am confident that under Andrew’s leadership the Committee will evolve and develop further.

We have made good progress over the last six years which is reflected in the expanded role and responsibilities of the Committee. As well as the established work of the Committee, we carried out a successful external audit tender, supported the development of Group sustainability reporting and provided oversight of the structure and documentation of Group ‘material’ controls, building on a strong base.

Reflecting our commitment to robust governance and alignment with evolving best practice, we have recognised that integrating oversight of financial reporting, internal controls and risk management within a single Committee ensures a holistic approach to and view of assurance, compliance and financial reporting. Revised Terms of Reference as an Audit and Risk Committee will be effective from 1 April 2026 and will be available on the website.

In 2025, good progress has been made with our preparations for compliance with Provision 29 of the UK Corporate Governance Code 2024 (the Code), effective from the 2026 reporting year. The Committee has actively challenged and overseen management’s work to define, enhance and evidence the effectiveness of our material controls across financial, operational, reporting, compliance areas and non-financial reporting. We have scrutinised the evolving internal controls framework (internally referred to as ‘G3’), assurance planning and the alignment with risk management processes to ensure readiness to meet the new Code requirements.

I am pleased to report that the Group’s ERP programme continues to progress well with the Group’s common design phase completed during 2025. This ERP programme is designed to deliver a standard platform across all our Businesses and to address the Principal Risk of ageing enterprise systems (see page 88). The programme is being run with strong governance, independent quality assurance and active engagement from our Business leaders. The Committee has challenged management on key risks, including resource allocation and scope alignment and I am satisfied that these have been addressed proactively.

Audit Committee Report continued

Chair's review of 2025 continued

The Committee has worked closely with management to refresh our risk management framework. This programme brings greater consistency around risk identification, assessment and mitigation. We have provided robust oversight of enhancements to our methodology and welcome the clarified risk ownership and greater alignment between risk activities, the G3 controls framework and our strategic objectives. As they roll out and embed across the Group, these enhancements will increase transparency and accountability at every level, supporting a more proactive and resilient risk culture — across the Group.

Throughout the past six years I have greatly valued the support of the management team who have shown their commitment to very high standards of governance, consistently setting the right tone from the top and doing the right thing. I look forward to seeing the continued development of the Committee and Spirax Group.

Kevin Thompson
Chair, Audit Committee
9 March 2026

Audit Committee's role

On the Board's behalf, we monitor the integrity of financial and non-financial reporting, oversee the adequacy and effectiveness of internal controls and risk management processes, including those relating to detecting fraud and preventing bribery and have oversight of the external and internal audit. Our full Terms of Reference are available on the website [spiraxgroup.com](https://www.spiraxgroup.com).

Audit Committee composition, meetings and operation

The Committee met five times during 2025. Constance Barouel was welcomed to the Committee as part of the wider Committee reorganisation in August and Andrew Kemp joined in November, as Chair Designate, taking its membership to six independent Non-Executive Directors, collectively bringing extensive financial, operational and commercial experience (see pages 106 and 107 for detailed biographies). In accordance with Provision 24 of the Code, the Board considers Kevin Thompson, Richard Gillingwater, Caroline Johnstone and Andrew Kemp to have recent and relevant financial experience. Committee meetings are also regularly attended by the Chair of the Board, Group CEO and CFO, Group General Counsel, Group Finance Director, Head of Internal Audit and our external Auditor, Deloitte. To support our programme of reviews and updates, senior members of management are invited to attend as appropriate, including colleagues representing certain Group functions including Finance, IT, Sustainability and Legal. Each of the Group's three Business Finance Directors were invited to present to the Committee on the financial and control aspects of their respective Business. Committee agendas are structured to address core responsibilities while allowing flexibility for emerging topics and ad hoc reviews. A summary of the Committee's activities across our 2025 cycle is provided on the following pages.

Beyond formal meetings, the Chair maintains regular engagement with the Group CEO and CFO, the Head of Internal Audit and Deloitte. These interactions enable the development of the Committee's forward work programme, monitoring of progress against agreed actions and timely consideration of emerging issues to ensure appropriate information is prepared for discussion. Since joining the Committee Andrew Kemp has also attended these meetings as part of his induction process and in anticipation of his succession to Chair of the Committee on 1 April 2026.

The Committee also held private sessions with both the external and internal auditors, without management present, to ensure open and independent dialogue on audit matters.

The Committee conducted its annual self-assessment and in light of the planned evolution for risk management oversight in 2026, determined that no changes were necessary.

Spirax Group undertakes a review of the Audit Committee's performance on an annual basis to increase effectiveness and to identify areas for improvement. In 2025, Lintstock, an advisory firm specialising in Board and Committee reviews, conducted a review of the performance of the Audit Committee as part of the external Board effectiveness review. Further details of the review process can be found on page 113.

Lintstock found that the Committee members engaged well with the review and the Committee benefits from a strong composition that combines deep technical expertise with broad strategic financial experience. The review focused on the upcoming Chair transition and identified opportunities to refine the Committee's annual cycle and agendas ahead of its assumption of responsibility for risk oversight in 2026.

During 2025, the Committee participated in a series of targeted training and update sessions to ensure members remained informed of evolving regulatory requirements and best practice. Key topics included Artificial Intelligence governance and responsible use, as well as cybersecurity training. The Committee also received ongoing updates on developments in corporate governance, risk management and financial reporting standards, supporting the Committee's ability to provide effective oversight in a continually changing environment.

Key activities of the Audit Committee during the year

Financial Statements and significant accounting matters

The Committee is responsible for assessing whether suitable accounting policies have been adopted and whether management has made appropriate judgements and estimates when applying these policies. The assumptions made in the valuation of pension liabilities are the only key sources of estimation uncertainty and no key judgements have been identified.

The Committee discussed other items with management (see table below) during the year and prior to the publication of the Group's results for the half year ended 30 June 2025 and the full year ended 31 December 2025.

These matters were also discussed with the external Auditor during audit planning and at the year-end completion and the Committee is satisfied that its conclusions align with those of the Auditor.

Key sources of estimation uncertainty

Matter	How the Committee addressed each matter	Conclusion
Defined benefit pension plans (valuation assumptions)	Assessed the assumptions used in determining pension obligations and considered the classification as a key source of estimation uncertainty.	Assumptions and classification were considered reasonable.
Other accounting matters		
Valuation of Goodwill and Other assets at cash-generating units (CGU) level	Focused on and constructively challenged the reasonableness of the assumptions used in impairment calculations, in particular discount rates, growth forecasts and potential sensitivities related to the ETS group of CGUs.	No impairment was identified nor provision required.
Alternative Performance Measures (APMs)	Reviewed presentation and definition of the Group adjusted figures used by the Group, alongside IFRS measures to provide additional insight into underlying performance and trends.	The presentation and definition were confirmed as not giving undue prominence.
Adjusting Items	Given the significant restructuring in 2025, the Committee focused on scrutinising and approving the Adjusting items policy and its application.	The classification of Adjusting items was considered appropriate.
Going Concern, Viability Statement and financial resilience	Reviewed the evidence supporting the Going Concern basis of accounts preparation and the Viability Statement. Reviewed the Group's liquidity position, debt maturity profile and compliance with covenants.	Satisfied with disclosures. Approved all significant external debt financing activities and were satisfied that liquidity and funding arrangements were robust.
Taxation	Assessed the position taken with regard to tax judgements and the carrying value of tax provisions and uncertainties. Reviewed the evolving Base Erosion and Profit Shifting 'Pillar 2' legislation, focusing on the relevant compliance aspects.	The position taken and disclosure made were deemed appropriate.

Sustainability and climate-related governance

The Committee plays a key role in the governance of climate-related risks and opportunities and during the year it continued to oversee sustainability reporting requirements to make sure the Group takes a thoughtful and pragmatic approach to reporting, compliance and assurance.

The Committee received regular updates from management and the external Auditor on the evolving requirements of the EU Corporate Sustainability Reporting Directive (CSRD), the UK Sustainability Reporting Standards (UK SRS) and related frameworks such as the Transition Plan Taskforce (TPT) and International Sustainability Standards Board (ISSB) standards.

In 2025, the Group completed a materiality assessment and confirmed that material sustainability topics for the Group are addressed through **One Planet**.

The Committee oversaw the implementation of recommendations from Deloitte's 2024 limited assurance report on sustainability data including the rationalisation of data collection, focusing on materiality and reducing the reporting burden for smaller operating companies within the Group. The G3 controls programme has been extended to sustainability reporting, with key controls identified and tested and a new data platform being implemented to enhance data quality and reporting functionality.

➕ For more information, please see the Sustainability Report on page 61.

Audit Committee Report continued

Key activities of the Audit Committee during the year continued

Internal controls, risk management and internal audit

As explained earlier in the report, the Board has overall responsibility for the effectiveness of the Group's internal controls and risk management frameworks. The Audit Committee shares risk oversight with the Risk Management Committee. The Audit Committee has responsibility for reviewing and monitoring the effectiveness of the Group's internal control environment, risk management framework and internal audit process.

➤ Read more in the Risk Management section on pages 84 to 91 and in the Risk Management Committee Report on pages 124 to 126

Internal controls framework (G3)

The Committee provided comprehensive oversight of the Group's G3 internal control framework, which sits within our 'Three Lines of Defence' model outlined on page 84. This structure ensures that risk is managed at the appropriate level, with clear accountability and escalation routes, and that the Board and Committee receive independent assurance on the effectiveness of the Group's internal control systems. Read more in the Risk Management Committee Report on pages 124 to 126.

The Committee reviewed and confirmed the definition of 'material' controls from the G3 framework, in readiness for Provision 29 reporting, ensuring alignment with both regulatory expectations and the Group's risk appetite.

Regular updates were received on the progress of Provision 29 declaration planning, including the mapping of material controls, identification of control owners and development of evidence to support future reporting requirements. The Committee scrutinised the overall assurance strategy, challenged management on the completeness and effectiveness of controls mapping and monitored the adequacy of plans to address any identified gaps or weaknesses. Regular updates were received on the integration of the G3 programme with the Group's broader strategic objectives.

Risk management

During the year, the Committee conducted deep-dives into selected Principal Risks, focusing on the underlying drivers, management's mitigation strategies and the effectiveness of controls.

Economic and political instability: the Committee reviewed the Group's response to this risk, challenging management to apply lessons learned from market disruptions including currency fluctuation and Tariffs and to strengthen scenario planning for forecasting and supplier risk management.

Cyber risk: the Committee scrutinised the Group's preparedness, reviewed IT and cybersecurity resources, and supported enhancements to crisis response plans. The Committee also engaged with management on refreshing the Group's cybersecurity maturity frameworks and reviewed examples of incident responses following real-world cyber events.

Supply chain resilience: the Committee probed the effectiveness of vendor due diligence and business continuity planning.

Failure to identify and respond to changes in customer needs:

the Committee challenged management to demonstrate how customer insights are captured and acted upon and how investments in digital and AI capabilities are aligned with strategic objectives. The Committee encouraged management to continue developing the Group's Digital and Services Growth Driver and to monitor progress against key milestones.

These reviews enabled the Committee to test management's assumptions, recommend improvements and ensure robust risk oversight across the Group. With additional risk oversight from April 2026, the Committee will benefit from being able to provide a more holistic view of assurance.

Internal audit

At each meeting in 2025, the Committee reviewed progress against the internal audit annual plan. We also reviewed completed audit reports, looking at recurring themes that might need more co-ordinated action. During the year, 33 internal audits were undertaken through in-person visits. Given the disaggregated nature of the Group, visiting Business sites and locations provides valuable opportunities to educate and build strong relationships with the operating companies and to gather additional insights. The ongoing evolution and robust implementation of the Group's internal control framework have significantly strengthened internal audit outcomes, leading to enhanced assurance and more effective identification and remediation of risks.

The Committee welcomed and endorsed the appointment of Carmen Janse van Rensburg as Head of Internal Audit, succeeding Dan Harvey who left the Group during the year. We thank Dan for his contribution to the work of the Audit Committee over many years and wish him well.

External audit

The Committee assesses the effectiveness of the external audit process, the scope of the Group audit and the quality of the audit work through the year, as well as the independence of the Auditor, through:

FRC's Audit Quality Review (AQR): the Committee is pleased to note that the AQR results continue to improve and Deloitte has experienced a reduction in the number of findings arising from regulatory inspections, as well as a reduction in the number of findings where the root cause was direction, supervision or review.

Audit Quality Indicators (AQIs): the Committee regards AQIs as meaningful and valuable tools. In May 2025, the Committee assessed the external Auditor's effectiveness and performance in 2024 against 10 AQI targets. This highlighted that an effective audit had been delivered, identifying areas for improved scheduling with management.

Audit plan and strategy: the Committee discussed, challenged and subsequently approved Deloitte's detailed audit plan and strategy for 2025, including the intended scope of the audit, the use of technology in the audit and the level of materiality proposed.

Auditor's reporting (written and verbal) to the Committee: reporting to the Committee included regular updates on progress in delivery of the audit plan, amendments required for changes in risk assessment and insight and robust challenge of key accounting matters.

Interaction with Auditor: the Committee Chair, the Group Chief Financial Officer and management have regular communication with the Auditor throughout the year and are able to raise issues and discuss key deliverables as the year progresses. In accordance with best practice, the Committee holds regular private sessions with the Auditor, without management present.

Internal evaluation: a tailored online questionnaire is completed by the finance teams that are engaged in the audit process, the outcomes of which are reported to the Committee. This aids the Committee's review of the performance and effectiveness of the external Auditor, in performing the audit.

Audit tender and rotation: in accordance with the Auditor Engagement Policy, which the Committee reviews annually, the Committee assesses the need to tender the external audit function at least every 10 years. The most recent tender was conducted in 2022, resulting in the reappointment of Deloitte and the appointment of a new audit partner, Dean Cook, effective from 2024.

Audit fee: the Committee reviewed Deloitte's fee proposal in light of the risks identified and proposed scope. The proposed fee of £3.0 million, which included an inflationary increase on 2024's £2.9 million fee was approved.

The Committee confirms it has complied with the Audit Committee's and External Audit: Minimum Standard as described in this section and when combined with the assessments above, the Committee is able to conclude that Deloitte has continued to provide a high-quality robust audit. The audit was conducted with rigour, had effective and constructive challenge, including key accounting issues being questioned, as well as visible exercising of professional scepticism from Deloitte as it completed its review of management's assumptions and judgements. The Committee appreciated the quality of communications by the audit partners, the detailed risk-based planning and the effective use of Deloitte's internal experts and specialists.

In addition to the above assessment of the effectiveness and quality of the audit, the Committee seeks to assess and ensure the objectivity and independence of the external Auditor through:

- Assignment and rotation of key personnel
- The adequacy of audit resources
- The Group's Auditor Engagement Policy which includes restrictions on the provision of Non-Audit services and the hiring of former external Auditor employees

The Committee has concluded that the external Auditor remains independent and maintains objectivity.

Non-audit services

In accordance with the Group's Auditor Engagement Policy, the Group incurred fees for Non-Audit services of £0.2 million (2024: £0.4 million) in 2025, which related principally to the review of the interim financial information.

Whistle-blowing

The Committee received regular updates on whistle-blowing activity throughout the year. Following a notable increase in 2024, the number of reports in 2025 was lower than the prior year (63 in 2025, 71 in 2024) but indicated a

continued willingness amongst colleagues to use the Group's whistle-blowing system, Safecall. The colleague engagement focus groups also provided an opportunity to help promote awareness of the arrangements. The Committee reviewed the effectiveness of the Group's whistle-blowing arrangements, ensuring that all employees can raise concerns in confidence, that reports were independently investigated and that appropriate follow-up actions were taken. Substantiated cases led to process improvements and in some instances disciplinary actions. The Committee continued to monitor trends and themes to support a culture of transparency and accountability across the Group.

Additional matters

The Committee also conducted a review of senior finance talent across the Group, with the aim of assuring that the Finance function is led by individuals with the necessary competencies, experience and leadership skills to meet current and future business needs.

Fair, balanced and understandable

The Committee followed a structured process to meet its responsibilities under the Code, ensuring the Annual Report 2025 is fair, balanced and understandable and provides shareholders with the necessary information to assess the Group's position, performance, business model and strategy.

Independent reviewers, not involved in preparing the Financial Statements but familiar with the Group, read the Annual Report 2025 and challenged any content that was inaccurate or misleading or did not meet the fair, balanced and understandable criteria.

The Committee received briefings on key reporting themes and reviewed working papers and the results of significant issues and judgements considered during the year.

Based on these activities, the Committee advised the Board that the Annual Report 2025, taken as a whole, is fair, balanced and understandable.

Kevin Thompson

Chair, Audit Committee
9 March 2026

Committee focus for 2026

- Evolution to Audit and Risk Committee and onboarding of new Chair
- Refresh of internal audit scope of work
- Preparedness for Provision 29 declaration
- Deployment, governance and risk implications of AI

Further reading:

- Our Principal Risks, see page 87 to 91
- Risk Management Committee Report, see pages 124 and 126
- Our Viability Statement, see page 43
- Our Going Concern Statement, see page 41

Remuneration Committee Report



“The Committee has reinforced a clear, balanced remuneration framework aligned with Group performance, long-term strategy and stakeholder interests.”

Maria Antoniou
Chair, Remuneration Committee

Committee membership

Maria Antoniou* (Chair)	* Maria joined the Committee 1 June 2025.
Angela Archon	
Richard Gillingwater	** Jane stepped down 30 September 2025.
Kevin Thompson	
Jane Kingston**	

How the Committee spent its time %



- Remuneration Policy and market updates
- PSP achievement and target setting
- Bonus achievements and target setting
- Board and GEC pay
- Directors' Remuneration Report
- Gender pay gap and wider workforce pay

Introduction

I am pleased to present my first report as Chair of the Remuneration Committee. It has been a privilege to work with the Committee and the Board and I look forward to overseeing a remuneration framework that supports the continued success of our Group and aligns with the interests of our shareholders, colleagues and wider stakeholders.

The Remuneration Report provides a full overview of the structure and scale of Directors' remuneration and decisions made by the Committee as a result of Group performance this year. In addition, we will be seeking shareholder support at the forthcoming AGM for our 2026 Directors' Remuneration Policy (the Policy), which is intended to operate from 2026 onwards. Full details are set out on pages 147 to 153.

Committee focus during 2025

As part of the normal Committee cycle, the Committee reviewed and approved incentive payments for the performance period ending in December 2024. Thereafter, much of the Committee's focus was related to reviewing the prevailing Policy, assessing market positioning and ensuring continued alignment with Group strategy and performance. The proposed Policy changes were shared with our largest shareholders, with the vast majority of respondents signalling their support. As such, no further changes were proposed.

The Committee also continued its standard activities related to Executive and colleague pay discussions. In addition, an independent assessment of the effectiveness of the Committee was positive, recognising it was a transition year.

Business performance and strategic context

During 2025, the Group successfully delivered on its financial targets against a challenging macroeconomic backdrop, while also progressing the execution of our **Together for Growth** Strategy. Group results reflect disciplined execution and resilience across our Businesses.

The Group's performance directly links to the variable pay outcomes for the Executive Directors; more details are set out below and on page 135.

Pay across the organisation

We remain committed to fair and responsible pay across our global workforce. In 2025, we implemented an average salary increase of 2.2% in the UK and set pay budgets on a consistent basis, taking into account market movement, wage inflation and affordability.

There continues to be alignment of reward frameworks between Executive Directors and senior management, with c.120 leaders participating in the same PSP and c.500 participating in the Group Management Bonus, which is closely aligned to the design of the AIP. The cascade of frameworks is illustrated on page 137.

During the year, we undertook our biennial Colleague Engagement Survey, which included questions on pay, benefits, recognition and performance, all of which are linked to our reward frameworks. The Committee will undertake a thorough review of this feedback and in 2026 intends to build a programme, working with the Colleague Engagement Committee, to further develop an understanding of our colleagues' views. Overall colleagues were pleased with opportunities for development and value our global benefits in support of our diversity goals.

The diversity goals and the achievement towards them, (detailed on pages 67 and 68), have supported our continued improvement in the reduction of our UK gender pay gaps.

The Group's mean and median pay gaps reduced again in 2025 to -2.3% (7.2ppts lower than in 2024) and -1.6% (5.6ppts lower than in 2024) respectively. The negative numbers are due to both mean and median pay for women now surpassing that of men.

2025 remuneration outcomes

2025 AIP outcomes

AIP payments were based primarily on stretching Group financial performance targets which accounted for 90% of maximum AIP payments, with the remaining 10% being linked to Personal Strategic Objectives. For 2025, a Revenue measure was included to reinforce the importance of improving organic sales growth. The inclusion of Revenue has successfully increased focus on the delivery of top-line growth as demonstrated by 5% organic growth since 2024.

Improved performance in executing against stretching operating profit targets and delivery on Revenue, combined with continued diligence on Cash Conversion, ensured that overall financial measures paid out at close to Target. This represented an increased achievement against 2024, which the Committee considered to be a fair reflection of the overall performance based on targets set at the start of the year. The Committee is also satisfied both Executive Directors made good progress against challenging Personal Strategic Objectives. No discretionary adjustment was necessary and no malus or clawback provisions were triggered.

Total payments made are 59.6% of the maximum opportunity for both Executive Directors as shown on page 140.

2023–2025 PSP outcome

Vesting for the 2023 PSP was measured against Earnings Per Share (EPS) growth, relative Total Shareholder Return (TSR) and progress towards our sustainability goals, specifically against our greenhouse gas (GHG) emissions reduction targets.

The achievement against EPS and TSR metrics was below the required threshold level for vesting under these elements. Continued strong progress in the delivery against our sustainability goals has resulted in maximum vesting under the GHG element. As a consequence the 2023 PSP awards will vest at 20%.

The Committee has reviewed this outcome against the financial performance and underlying shareholder experience over the performance period, as well as any possibility of 'windfall gains' and determined this level of vesting is appropriate. No malus or clawback provisions were triggered. Further details can be found on page 140.

Executive Director total compensation

The Committee is confident remuneration outcomes for Executive Directors were reflective of the Group's performance. Increased total compensation in 2025 was largely driven by the AIP, where the Group CEO and CFO achieved Target payouts, reflecting delivery against financial, strategic and operational objectives.

Both Executive Directors received awards under the 2023 PSP, which will vest at 20% as detailed above. This outcome reinforces the integrity of our performance-linked reward framework and the importance of long-term value creation. For the CFO, this award was made as a buy-out from awards forfeited from her previous employer, ensuring an immediate alignment with the Group's performance.

2026 Remuneration Policy review

2026 marks a scheduled triennial review of our Remuneration Policy. We outline on pages 148 to 153 a proposed Policy designed to ensure our Executive remuneration remains

competitive, performance-linked and aligned with shareholder interests. The new 'At a glance' section on page 136 aims to provide a simple overview of the key Policy points for 2026.

The key change proposed is an increase in the maximum opportunity under the PSP from 250% of salary to 300% of salary. This would allow the Committee to better align the Group CEO's variable compensation opportunity to the market, but with a greater proportion over the long term when compared to other companies. While the Committee believes market competitiveness is important to secure and motivate high-calibre leaders, the proposed change to the Policy is reflective of the Committee's commitment to continue to strengthen the alignment between our remuneration framework and long-term value creation for the benefit of our shareholders.

The Committee reviewed all other component parts of the previous Policy, approved in 2023, and considered them to be fit for purpose for the next three years. The review confirmed the key elements of driving an improvement in return on capital (notably growth, margin and capital discipline) are already reflected in our AIP and PSP targets, as is a strong link to TSR. As such, the performance measures and ranges continue to be aligned to delivery of the **Together for Growth** Strategy. The AIP limits allow some additional capacity for increased maximum opportunities should flexibility be required by the Committee during the cycle.

Market assessment

To ensure future remuneration levels are competitive, the Executive Directors' total compensation has been reviewed against relevant market data. Three peer groups were considered to ensure there was a broad view of market dynamics, namely: 10 other FTSE Industrial companies; FTSE 50-150 companies; and FTSE companies with a market capitalisation between £3 and £7 billion (Spirax Group market capitalisation c.£5 billion as at 31 December 2025).

The review showed variable pay opportunities for the Group CEO and CFO to be c.100% and 80% of salary respectively, below mid-market. The market median incentive opportunity is approximately 450% of salary for the Group CEO and 375% of salary for the Group CFO. In addition, the data showed the Group CEO salary (after the proposed increase communicated last year) was only 3% above the lower quartile, further compounding the low-to-market variable pay levels. This translates to a below lower quartile level of total maximum remuneration compared to the average of the peer groups even after the 2026 salary increase for the Group CEO. A market positioning at this level creates pay compression issues with senior management and long-term retention risks in the business.

This market position, combined with the business performance and the visible progress made to date in executing the **Together for Growth** Strategy, has fed into the 2026 Remuneration Policy review and planned implementation.

Implementation of the Policy in 2026

Subject to shareholder approval of the proposed Policy change, it is intended to increase PSP grants for both the Group CEO and CFO in 2026 to 300% and 225% of salary respectively (2025: 200% and 175%). The Committee is satisfied that the existing way that growth in EPS, relative TSR and the environmental targets are set, results in sufficiently stretching targets for the increased levels of award. We also noted that the threshold vesting is, at 18% of the award, below the typical level of 25%.

Remuneration Committee Report continued

Implementation of the Policy in 2026 continued

In respect of the annual salary review, we communicated in the 2024 Annual Report we would seek to more closely align the Group CEO's salary with market levels in 2026 through a 3.6% increase on top of the all-colleague pay increase. For 2026, the UK colleague increase is 3.0%, giving a total Group CEO salary increase of 6.6%.

The Committee concluded this adjustment remained appropriate, but noted the position post-adjustment is only just above lower quartile. The Committee may consider further salary adjustments during the Policy period. The CFO's salary will increase by 3.0% in line with the average UK colleague. The Group CEO has once again volunteered to use the net amount of the 3.6% top up salary increase to purchase shares in the Group, recognising that this part of his increase is over and above the normal increase provided to the wider UK workforce.

The operation of the AIP and the PSP was considered by the Committee and all performance measures were still considered fit for purpose and aligned to the Group's long-term strategy. The only amendment for 2026 is to further increase the percentage weighting of the Revenue measure in the AIP by 5ppts to continue to reinforce the importance of organic sales growth to the organisation.

The 'At a glance' section on page 137 gives a high-level overview of the package for 2026 and its alignment to the Group's strategy and peer company benchmarking.

Shareholders will be asked to approve updated share plan rules to reflect the change to opportunity levels under the Policy and to provide additional flexibility in how the plan is operated, principally for other members of senior management.

Shareholder engagement

During the year, we communicated directly with our top 20 shareholders, together with proxy advisers, on the proposed Policy changes. We also set out the proposed implementation for 2026.

Following calls and email exchanges on the proposed Policy changes we were pleased the vast majority of feedback was positive with shareholders understanding the commercial rationale for the increase to the PSP opportunity. The Committee reviewed the feedback in detail and continued with the proposal as planned. The details are presented in this report for approval at the AGM.

I will, on behalf of the Committee, actively engage with shareholders and representative bodies, seeking views which are openly discussed and considered when making any decisions about changes to the implementation for Executive Directors going forward.

It has been a pleasure to take on the role of Chair of the Remuneration Committee. I would like to thank my predecessor, Jane Kingston, for her leadership and the Committee members for their support and insight. As we look ahead, our focus remains on ensuring that our remuneration framework supports the attraction, retention and motivation of talent, while driving sustainable performance and long-term shareholder value.

I look forward to the AGM and the opportunity to engage further and respond to your questions.

Maria Antoniou
Chair, Remuneration Committee
9 March 2026

Committee focus for 2026

- Continue to review the competitiveness of senior leadership incentive arrangements to ensure alignment with strategic priorities and market expectations
- Enhance engagement with the wider workforce on pay, reflecting on the 2025 colleague survey and in collaboration with the Colleague Engagement Committee
- Monitor external regulatory and market developments in executive remuneration and areas such as the EU Pay Transparency Directive

Committee governance during the year

Details of the Committee attendance can be found on page 111 and full biographies of the Committee members can be found on pages 106 and 107. Each Committee member is an independent Non-Executive Director and brings independence to all aspects of Board remuneration and the application of professional advice to matters relating to remuneration. The General Counsel and Company Secretary acted as Secretary to the Committee. The Committee met four times during the year ended 31 December 2025 as shown on page 111.

No conflicts of interest with respect to the work of the Committee have arisen during the period and none of the members of the Committee have any personal financial interest in the matters discussed, other than as shareholders. The fees of the Non-Executive Directors are determined by the Board on the joint recommendation of the Chair and the Group CEO. The fees of the Board Chair are determined by the Committee.

The Committee is formally constituted and operates on written Terms of Reference, which are modelled on the UK Corporate Governance Code and are available on our website spiraxgroup.com/governance-documents.

Committee role and responsibilities

The Committee determines Executive remuneration policies and their application, including targets for short- and long-term incentive plans, and monitors compliance with the approved Remuneration Policy. It also sets the philosophy, principles and policy for Executive and senior manager remuneration, taking account of legislation, corporate governance requirements, best practice and the FCA UK Listing Rules. The Committee considers wider colleague remuneration frameworks to ensure alignment of incentives and reward with Group culture.

Advice to the Committee

The Committee receives input from internal and external sources. Korn Ferry, appointed in 2019, provided independent advice during the year on all aspects of the Remuneration Policy and benchmarked remuneration structures against governance best practice. Korn Ferry also supported TSR monitoring for the PSP and supplied benchmarking and salary survey information. Fees paid to Korn Ferry for remuneration advice during the year were £67,279, relating solely to work undertaken for the Committee.

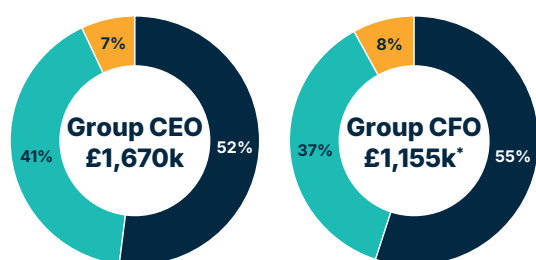
The Committee confirms that neither it nor any of its Directors has any connection with Korn Ferry. Korn Ferry is a member of the Remuneration Consultants Group and complies with its Code of Conduct, ensuring its advice is independent and objective. The Committee reviews the performance and independence of its adviser annually.

At a glance: 2025 Executive Directors' remuneration outcomes

Pay outcomes for 2025

	Fixed pay	AIP	PSP
Group business performance	While not directly linked to performance metrics, salary increase budgets are considered in the corporate planning process and are dependent on underlying performance and affordability.	The Group has performed in line with its expectations at the start of the year despite the challenging macroeconomic backdrop.	The Group's earnings and share price have not performed relative to historic highs over the three-year period, so while the refreshed strategy is starting to deliver, it is too early to see the outcomes. Over the longer term the Group has made consistent progress on its sustainability agenda.
Outcome of performance measures	Not applicable.	Operating profit around target. Revenue around target. Cash Conversion above maximum. Personal Strategic Objectives above target. Total bonus earned = 59.6% of maximum. + Details on page 140	EPS below threshold. Relative TSR below median. GHG above maximum. Total vesting = 20% of award. + Details on page 140
Group CEO	£763k, plus benefits and 10% pension allowance.	Maximum payment up to 150% of salary (90% for Target achievement). Total bonus earned = 89.4% of salary (£682k).	2023 PSP award granted £926k. Total vesting = £117k.
Group CFO	£562k, plus benefits and 10% pension allowance.	Maximum payment up to 125% of salary (75% for Target achievement). Total bonus earned = 74.5% of salary (£419k).	2023 PSP award granted £733k (as compensation for award forfeited from previous employer). Total vesting = £98k.
Link to wider workforce remuneration	Executive Directors typically receive the same salary increase as UK colleagues (2.2%). For the Group CEO in 2025 this also included an additional 3.8% phased increase as previously disclosed. Pension and benefits are provided to Executive Directors on the same terms as other UK colleagues, with some benefits differentiated by seniority.	Leaders from all areas of the Group participated in the Group Management Bonus, similar in structure to the AIP. Financial performance was assessed against the same measures albeit aligned to the relevant areas of the Group. Final payments under this plan were adjusted to reflect the individual's personal performance during the year.	The most senior leaders across the Group participated in the PSP on the same terms as the Executive Directors.

Total compensation 2025

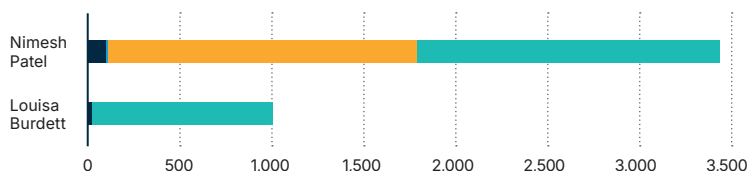


- Fixed pay
- Annual Incentive Plan
- Performance Share Plan

* Excluding other payments made in relation to previous periods.

Share ownership £'000

Executive Directors are required to build a substantial shareholding in the Company requirement to ensure alignment with shareholders' interests. This shareholding continues to apply for two years after leaving the Company.

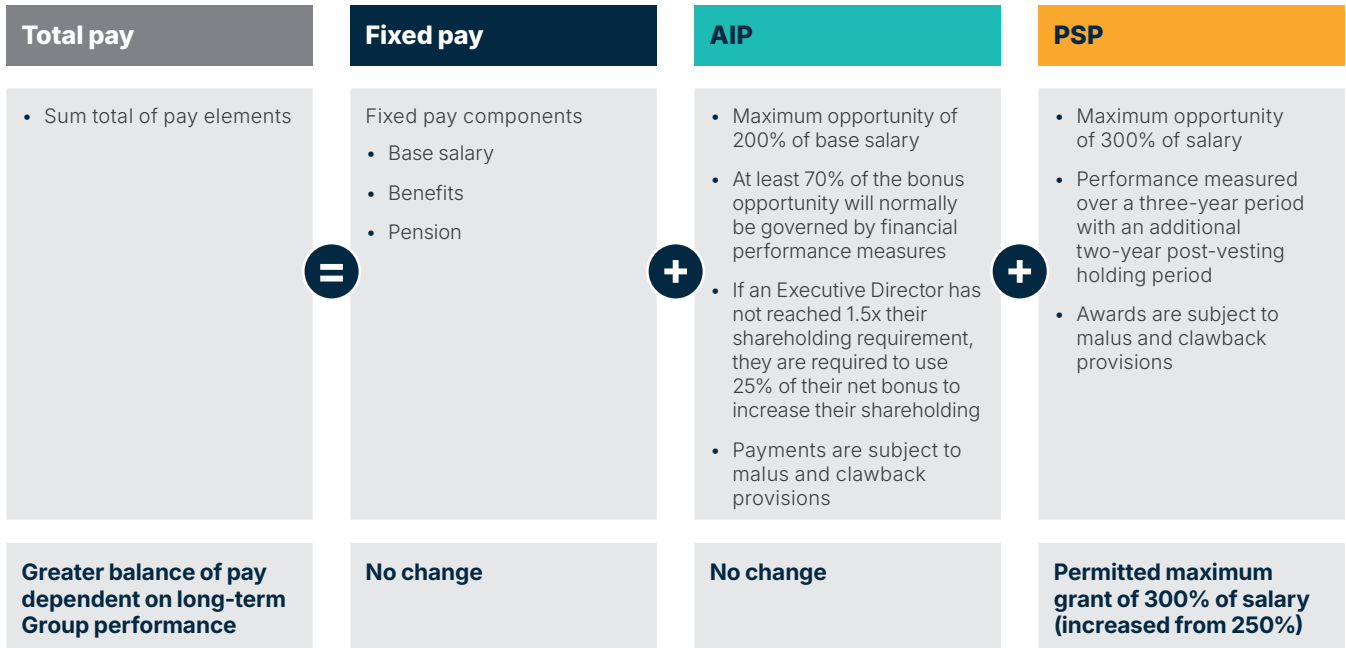


- Purchased shares*
- ESOP shares
- Vested PSP shares
- Net in-flight PSP shares

* Includes shares purchased as part of bonus deferral.

At a glance: 2026-2028 Remuneration Policy and strategic alignment

Proposed Remuneration Policy changes in 2026



Considerations in setting Policy

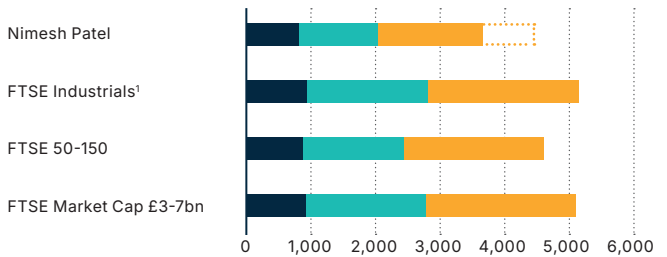
- Ensuring alignment with the **Together for Growth** Strategy
- Alignment with driving shareholder value for the long term
- Structuring remuneration frameworks to be competitive, enabling us to retain and motivate high-calibre leaders
- Alignment with the progression of the wider colleague pay framework to drive a stronger pay for performance culture
- The context of the UK market practice and continued evolution of the governance landscape

2026 maximum total compensation opportunity

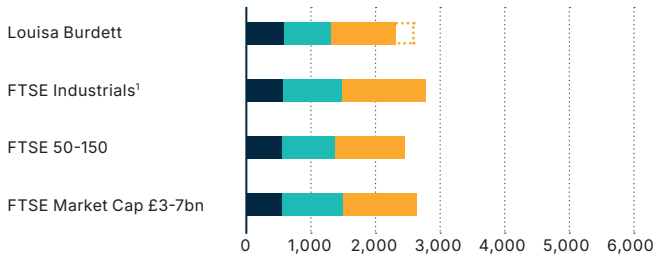
The proposed total compensation opportunity is now closer to market, but with a greater proportion delivered over the longer term and subject to stretching performance targets. This also ties to the period of execution of the refreshed strategy and requires delivery against that to achieve meaningful payouts.

As set out in the Chair's letter, more than one market benchmark was reviewed to ensure robust comparisons.

CEO £'000



CFO £'000



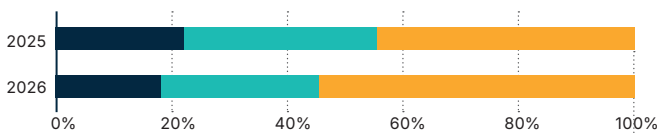
● Base salary
 ● Maximum AIP
 ● Face value PSP
 2026 Policy proposal

¹ Industrials peer group: Halma, DS Smith, Smiths Group, Diploma, Weir Group, Mondri, IMI, Rotork, Spectris and Qinetiq.

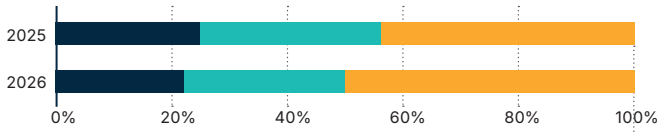
Time horizon of compensation

The proposed Policy change and intended 2026 implementation increase the proportion of pay delivered over the long term to align with the delivery of the strategy and shareholder interests.

Nimesh Patel, Group CEO



Louisa Burdett, Group CFO



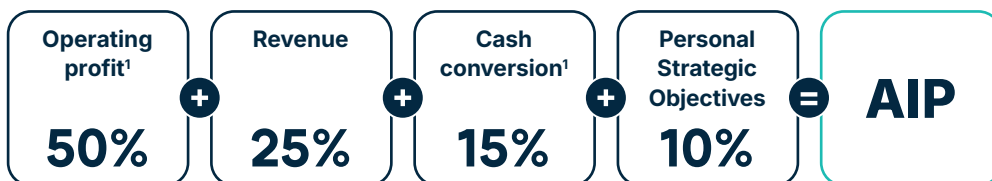
● Year 0 (base salary)
 ● Year 1 (AIP)
 ● Year 3 (PSP)

At a glance: 2026 Executive Directors' remuneration awards

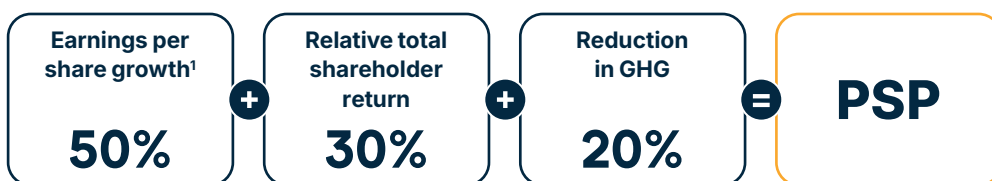
Implementation of the Policy in 2026

2026 remuneration	Fixed pay	AIP	PSP
Framework	<ul style="list-style-type: none"> Base salary increase of 3.0% aligned with the UK colleague population. The Group CEO will also receive a second phased increase of 3.6%, as previously disclosed No change to benefits or pension provision 	<ul style="list-style-type: none"> Performance measures unchanged from 2025 AIP, with an increased weight on Revenue For 2026, weightings are 50% operating profit; 25% Revenue, 15% Cash Conversion and 10% Personal Strategic Objectives 	<ul style="list-style-type: none"> No change to the performance measures and weights for 2026 EPS and TSR targets are unchanged. GHG targets have been updated to reflect continued progress
Group CEO	<ul style="list-style-type: none"> £813k salary (+6.6%) plus benefits and 10% pension allowance 	<ul style="list-style-type: none"> Maximum payment up to 150% of salary (90% for Target achievement) 	<ul style="list-style-type: none"> 2026 PSP of 300% of salary (£2.4 million)
Group CFO	<ul style="list-style-type: none"> £579k salary (+3.0%) plus benefits and 10% pension allowance 	<ul style="list-style-type: none"> Maximum payment up to 125% of salary (75% for Target achievement) 	<ul style="list-style-type: none"> 2026 PSP of 225% of salary (£1.3 million)

2026 AIP



2026 PSP



Strategic alignment of variable pay to business performance

The strategic direction was set out in 2024 and it continues to be relevant with the focus now being on execution. From that perspective, the Group's strategy aligns with the measures already in the plans.

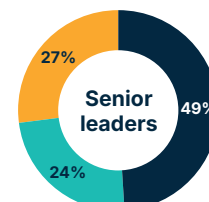
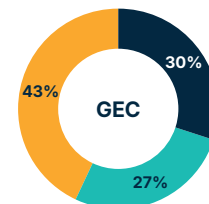
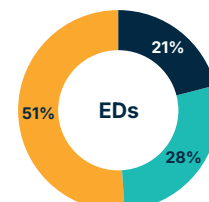
Group strategy	Measures	AIP	PSP
Growth	Revenue	✓	
Profitability	Operating profit KPI	✓	
	EPS growth KPI		✓
Cash flow management	Cash conversion KPI	✓	
Sustainability	Reduction in GHG KPI		✓
EHS	All-workplace Injury Rate KPI	✓	
Shareholder returns	Relative TSR		✓

¹ Operating profit, cash conversion and earnings per share are all on an adjusted basis throughout this Remuneration report.

Read more about our performance in 2025 on pages 36 and 37

Pay subject to performance

A significant proportion, c.80% (2025: 75%), of an Executive Director's potential remuneration is only payable to the extent that the stretching performance conditions have been achieved.



● Base salary
 ● Maximum bonus
 ● Face value PSP

Annual Report on Remuneration

Audited information

The following information is subject to audit unless otherwise indicated.

Executive Directors' single total figure of remuneration

		Base salary £'000	Taxable benefits £'000	Pension £'000	Total fixed pay £'000	AIP £'000	PSP ^{1,2} £'000	ESOP £'000	Total variable pay £'000	Other ³ £'000	Total pay £'000
Nimesh Patel	2025	763	30	76	869	682	117	2	801	—	1,670
	2024	711	29	71	811	432	99	2	533	—	1,344
Louisa Burdett (from 8 July 2024)	2025	562	20	56	638	419	98	—	517	171	1,326
	2024	265	10	30	305	137	—	—	137	—	442

- The amount shown relates to the market value of PSP awards whose performance period ended during the relevant financial year. Refer to page 141 for details of PSP awards made during 2025.
Over the 2023 PSP vesting period the share price decreased from £108.80 at grant (13 March 2023) for Nimesh Patel and from £103.00 at the date of her offer agreement (15 December 2023), for Louisa Burdett, to £68.92, which was the average share price over October, November and December 2025, resulting in a decrease in value of the vesting shares of around £39.88 per share for Nimesh Patel and £34.08 per share for Louisa Burdett. The amount attributable to share price appreciation in the figure above is therefore nil. As the award will not vest before the publication of the 2025 annual results and therefore the value at vesting will not be known, the value will be restated next year in the single figure table when the share price at vesting is known.
- The value of PSP awards vesting in 2024 has been restated to reflect the actual share price on the date of vesting, £67.15. The amount attributable to share price appreciation in the figure above is therefore nil.
- Louisa Burdett was paid £170,625 in June 2025 in relation to her 2024 forfeited bonus from her previous employer as disclosed in our 2024 Report. The amount was calculated and paid in 2025 after her former employer's results were published and was therefore not disclosed in the 2024 Annual Report and is included in her 2025 'Other' remuneration as it was paid in the year.

Non-Executive Directors' single total figure of remuneration

		Basic fees £'000	Additional fees ¹ £'000	Total fees £'000
Tim Cobbold (from 1 September 2024)	2025	400	—	400
	2024	23	—	23
Richard Gillingwater	2025	72	20	92
	2024	70	20	90
Maria Antoniou (from 1 June 2025)	2025	42	11	53
	2024	—	—	—
Angela Archon	2025	72	50	122
	2024	70	68	138
Constance Baroudel	2025	72	—	72
	2024	70	—	70
Peter France	2025	72	—	72
	2024	70	—	70
Caroline Johnstone	2025	72	20	92
	2024	70	20	90
Andrew Kemp (from 1 November 2025)	2025	12	—	12
	2024	—	—	—
Jane Kingston (to 30 September 2025)	2025	54	8	62
	2024	70	20	90
Kevin Thompson	2025	72	20	92
	2024	70	20	90

- 'Additional fees' relate to Senior Independent and Committee Chair fees and the long-haul intercontinental travel fee in addition to international travel expenses to the UK. Angela Archon receives fees in respect of the international travel required to attend UK Board meetings.

Additional requirements in respect of the single total figure table of remuneration

Annual Incentive Plan (AIP)

Executive Directors participate in the AIP, which rewards them for the financial and non-financial performance of the Group. Metrics are reviewed annually to ensure continuing alignment with financial and strategic objectives and are agreed at the start of the year. Resulting awards are determined following the end of the financial year by the Committee, based on performance against these targets.

For the Group CEO, achievement of target performance results in a bonus of 90% of salary, increasing to 150% of salary for maximum performance. For the CFO, achievement of target performance results in a bonus of 75% of salary, increasing to 125% of salary for maximum performance. Assessment of performance against the 2025 AIP measures is detailed below.

Financial metrics

The following table summarises the achieved performance in 2025 in respect of each of the financial measures used in the determination of the AIP, together with an indication of actual performance relative to Target.

2025 measures	Weight	Threshold	Target	Maximum	Actual performance	Achieved % of Target
Operating profit (£m)	55%	325.3	342.4	359.5	339.9	99.3%
% of metric achieved		15%	60%	100%	53.4%	
Revenue (£m)	20%	1,683.1	1,717.4	1,751.7	1,702.9	99.2%
% of metric achieved		15%	60%	100%	41.0%	
Cash conversion (%)	15%	75.8%	80.8%	85.8%	88.7%	109.8%
% of metric achieved		15%	60%	100%	100%	
% of total financial metrics achieved	90%				52.6%	

Personal Strategic Objectives (10% of maximum opportunity)

The tables below detail each of the Executive Director's Personal Strategic Objectives for 2025. The Board were provided with regular updates on progress towards these objectives throughout the year. The Remuneration Committee reviewed total progress against these objectives at its February 2026 meeting and approved the achievements detailed below.

Nimesh Patel

Measure	Achievement
Safety	All-workplace Injury Rate improved 8% to 2.12, with a reduction in LTAs. Comprehensive functional review resulting in improved team capability. Introduction and completion of Mandatory Safety Instructions to address key risk areas.
Growth Mindset	All three Business strategies aligned to Together for Growth with clearly defined priorities. Cultivating high-performance mindset, supported by changes to management bonus structures and SIPs. Evolved planning and reporting processes to support delivery of targets through 'controlling the controllables'; prioritisation of investments to drive growth.
Commercial Excellence	Driving adoption of data-based performance review and decision making to improve sales effectiveness. Improved interface and collaboration between Sales and Supply, reducing overdues. Together for Growth initiatives embedded in all three Businesses with clear targets, actions and performance tracking.
Organisational Fitness	Restructuring delivered in line with guidance for planned costs and benefits. Minimal disruption to delivery of orders and sales. Completed manufacturing footprint review with site closures in 2025 and planned reallocation of activities.
Operational Excellence	Delivered above-target savings from procurement and continuous improvement. Continued step-up in throughput from ETS operations; and step-up in WMFTS to support higher growth. Development of Excellence Framework design complete and implementation underway. Supply margins higher in all three Businesses for second successive year.
Digital and Services and Decarbonising Thermal Energy	Strong growth in digital orders and sales (with proven pull-through benefit). MiM deployed to sales engineers in line with targets; further OpCos targeted for 2026. TargetZero operating models in place: designed, documented and communicated (training in place). Combined energy assessment tested (including VoC) with successful pilots. Next generation of Medium Voltage heating elements tested and ready for customer pilots in 2026.
Total	7% (10% maximum)

Annual Report on Remuneration continued

Annual Incentive Plan (AIP) continued

Personal Strategic Objectives (10% of maximum opportunity) continued

Louisa Burdett

Measure	Achievement
Safety	All-workplace Injury Rate improved 8% to 2.12, with a reduction in LTAs. Comprehensive functional review resulting in improved team capability. Introduction and completion of Mandatory Safety Instructions to address key risk areas.
Growth Mindset	Evolving Medium-Term Planning process to support delivery of financial targets, including: tracking progress of Together for Growth initiatives (controlling the controllables) and supporting the Board and Executive team with prioritisation of investments.
Organisational Fitness	Continual review of restructuring activity, including technical review and approval of proposals. Restructuring delivered in line with guidance for planned costs and benefits.
Working capital	Introduced new tools to support receivable collections in Chromalox USA, STS France and Thermocoax in France and the USA. Overdue receivables reduced as proportion of total (below 2024).
Digital for Enterprise	Financial controls: continued improvement; testing supports attestation readiness. IT controls: progress made under new IT leadership. Cyber: continued improvement in risk management and mitigation (actions and testing well underway). Other controls: contributed to development of ERM approach.
Governance	Common ERP design delivered on time and within budget supported by strong Business engagement. Defined project dependencies (data, IT and organisation structure). Developed project governance model to manage interdependencies and maintain alignment. Approval granted for next phase: common build. Managing additional foundational work required by the IT and IS functions to underpin success of the ERP.
Total	7% (10% maximum)

As a result of performance in 2025, the following payments were earned, as reflected earlier in this report:

Executive Directors	AIP achieved % of maximum	Maximum opportunity % of salary	AIP achieved % of salary	AIP achieved £'000
Nimesh Patel	59.6%	150%	89.4%	682
Louisa Burdett	59.6%	125%	74.5%	419

Where an Executive Director has not reached the level of 1.5x their shareholding requirement, they must use the net of tax amount of 25% of AIP earned to purchase shares in the Company. These shares must be held for a further two years. As such, Nimesh Patel and Louisa Burdett will be required to purchase shares out of their net AIP payment.

Performance Share Plan (PSP)

The Committee approves annually a grant of conditional shares to each Executive Director under the PSP, having reviewed the relevant performance metrics to ensure they remain strategically aligned and sufficiently stretching. For EPS this includes a review of analysts' forecasts.

Vesting of the awards is dependent on the achievement of targets against the three performance measures set out below. These performance measures have been chosen as they are considered to be an appropriate balance of the key performance indicators most aligned with the delivery of the long-term strategy.

The Committee reviews the achievement against the targets and applies any necessary discretions to the formulaic calculation, ensuring vesting outcomes are appropriate.

2023 PSP award (performance period measured over 2023-2025)

On 13 March 2023 Nimesh Patel received a share grant under the PSP, with vesting subject to the measures outlined below. A share award was granted to Louisa Burdett on 21 November 2024 to compensate her for remuneration forfeited from her previous employer. This award comprised a PSP award vesting in 2026 with the same performance metrics as the 2023 PSP. The award will vest on the same date as all other 2023 PSP awards. The value of the award granted was equal to the face value award of the forfeited shares at the time of accepting the role with Spirax Group. The following table summarises the relevant performance metrics and the resultant achievements.

Performance measure	Weighting	Threshold requirement 18% vesting	Maximum requirement 100% vesting	Actual achievement	Vesting level of total award
EPS growth	50%	Global IP +2% pa	Global IP +7% pa	(21.4)%	0.0%
Relative TSR	30%	Median	Upper quartile	(33.4)%	0.0%
GHG emissions 2025	20%	24,273	21,962	17,487	20.0%
Total	100%				20.0%

EPS targets summarised above equated to a requirement to achieve at least 10.3% growth over the period for vesting to begin under this element, with maximum vesting for the achievement of 27.1% EPS growth. Adjusted EPS decreased by 21.4% over the period, equating to a compound annual decline of 7.7% per annum and below the performance required to trigger vesting under this element.

The TSR comparator group, comprising 68 companies, for the purpose of measuring relative TSR performance, was the FTSE 100 excluding companies in the Mining, Oil & Gas and Financial Services sectors at the start and end of the performance period. Over the three-year period to 31 December 2025, the Company's TSR was calculated as -33.4%. This ranked below the required threshold performance level for any part of this element to vest (median and upper quartile TSR in the comparator group being 31.2% and 66.6% respectively).

Aligned with the Group's **One Planet** Sustainability Strategy, performance was also measured against a reduction in scopes 1 and 2 GHG emissions. Focused improvements towards decarbonising the Group resulted in a 62% reduction in emissions from the 2019 baseline (excluding Vulcanic and Durex Industries). This was above the maximum target set in 2023 to achieve a 52% reduction in emissions by the end of 2025.

As a result of the above, 20% of the shares granted under the 2023 PSP will vest in March 2026. The Committee considers this achievement and consequent payment to be a fair reflection of Group performance throughout the performance period and in line with shareholders' experience.

Executive Directors	No. of shares granted	Price at grant	Value at grant £'000	No. of shares vesting	Vesting price ¹	Vesting value £'000	Amount attributable to growth in share price £'000
Nimesh Patel	8,515	£108.80	926	1,703	£68.92	117	(68)
Louisa Burdett ²	7,112	£103.00	733	1,422	£68.92	98	(48)

1 Three-month average closing price for October, November and December 2025.

2 Louisa Burdett's 2023 PSP award was granted on 21 November 2024 in lieu of share awards forfeited from her previous employer. The closing share price on the date immediately prior to grant was £64.65. The value of the award granted was based on a share price at the time of accepting the role on 15 December 2023.

2025 PSP award (performance period measured over 2025-2027)

Executive Directors were granted conditional shares under the 2025 PSP during the year. Grant values were determined by reference to a share price of £67.38 with 200% and 175% of salary to be awarded to the Group CEO and CFO respectively.

Executive Directors	No. of shares granted	Value at grant £'000	Last day of the performance period	Vesting at threshold performance
Nimesh Patel	22,647	1,526	31/12/2027	18%
Louisa Burdett	10,427 ¹	703	31/12/2027	18%

1 As a result of an administrative error, Louisa Burdett's award in March 2025 was granted only in respect of 125% of salary, rather than the intended award in respect of 175% of salary, as was disclosed in the 2024 Annual Report. To correct this error, a further award in respect of the shortfall of 4,171 shares will be granted after the AGM in May 2026 on the same terms and conditions as the March 2025 PSP award.

Vesting will be determined on a straight-line basis for performance between the threshold and maximum requirements. Performance below the threshold requirement for each performance measure will result in nil vesting for that part of the award and at maximum full vesting will occur.

The vesting of these shares is based on the below performance metrics measured over a three-year period. In addition, a two-year holding period applies.

Performance measure	Weight	Threshold requirement	Maximum requirement
EPS growth	50%	Global IP ¹ x1.25	Global IP x3.5
Relative TSR	30%	Median	Upper quartile
GHG emissions 2027	20%	16,592 tonnes	15,012 tonnes

1 The Global Industrial Production Growth (IP) data source is the CHR Metals Global IP Index, providing data that incorporates over 90% of global industrial output.

The EPS element of the PSP is based on growth in excess of global industrial production growth rates, often referred to in our industry as 'Global IP'. Global IP is a measure the Board and management have used for some time, as there is well documented evidence that it is the best predictor of the global and industrial markets within which the Group operates. For these reasons, Global IP was used in the formulation of the long-term strategic plan and targets for EPS growth approved by the Board. Adjustments are made to reflect material businesses which are acquired and sold.

The TSR element of the PSP assesses performance relative to a comparator group of companies. The 2025 TSR peer group comprises the constituents of the FTSE 100, excluding companies in the Mining, Oil & Gas and Financial Services sectors. This group was selected as it objectively provides a sufficiently robust number of companies to compare performance against, including those operating in the industrial goods and services arena, whilst also excluding companies which are significantly different to us in terms of business operations. While the exact number of companies varies from year to year, the comparator group for the 2025 award was c.70 companies.

The remaining performance element assesses the extent to which we are meeting our sustainability goals. We have targeted management to reduce scopes 1 and 2 GHG emissions to 16,592 tonnes or below across the entire Group by the end of 2027 for this part of the award to start to vest. The maximum payout will only be achieved for emissions at or below 15,012 tonnes.

Annual Report on Remuneration continued

Additional requirements in respect of the single total figure table of remuneration continued

2026 PSP awards to be made (performance period measured over 2026-2028)

As summarised on page 137, Executive Directors will be granted awards in 2026 on similar terms to those granted under the 2025 PSP detailed above. The performance measures for the 2026 award will be the same as those used for the 2025 award, being: 50% EPS growth; 30% relative TSR; and 20% reduction of GHG emissions.

As explained earlier in this report, consulted shareholders were overwhelmingly supportive of the proposed 2026 PSP grant levels to Nimesh Patel and Louisa Burdett (300% and 225% of salary respectively). The prevailing PSP rules limit individual awards to 250% of salary. As such, the grant to Nimesh Patel will be made in two parts, with 250% of salary being awarded on 25 March 2026 and the remaining 50% of salary being granted, subject to shareholder approval of the new Policy, immediately following the 2026 AGM. For grant calculation purposes, both parts of Nimesh Patel's awards will be granted using the March grant price; this ensures equitable treatment and alignment with all other participants, including Louisa Burdett, whose 2026 award will be wholly granted in March 2026.

Employee Share Ownership Plan (ESOP)

Executive Directors and UK colleagues are eligible to participate in an HMRC-approved Share Incentive Plan known as the ESOP. Participation up to HMRC limits is matched on a 1:1 basis for each share purchased.

Shares acquired under the ESOP are not subject to performance measures as the aim of the ESOP is to encourage increased colleague shareholding in the Company. In 2025, around 58% of eligible UK colleagues purchased partnership shares and were awarded matching shares under the ESOP.

During the year Nimesh Patel purchased 27 partnership shares and was awarded 27 matching shares.

Taxable benefits

	Nimesh Patel	Louisa Burdett
Car cash allowance	£29,460	£19,932
Private health insurance	£515	£515

Pension

During the year, Nimesh Patel and Louisa Burdett received 10% of their basic salary in pension provisions which amounted to £76,300 and £56,210 respectively.

Board changes in 2025

Jane Kingston retired from the Board in September 2025, upon the completion of nine years on the Board. Jane stepped down as Chair of the Remuneration Committee from 1 June 2025, on the appointment of Maria Antoniou. There were no payments for loss of office for Jane.

Maria Antoniou joined the Board as a Non-Executive Director and the Remuneration Committee Chair on 1 June 2025. From appointment, Maria received the standard annual Non-Executive Director fee of £71,540 and the additional annual Committee Chair fee of £20,000 which is in line with the NED fees shown on page 138 pro-rated for time served in the year.

Andrew Kemp joined the Board as a Non-Executive Director on 1 November 2025. From appointment, Andrew received the standard annual Non-Executive Director fee of £71,540 pro-rated for time served in the year. Andrew will be appointed as Chair of the Audit Committee from 1 April 2026 and will receive the additional annual Committee Chair fee of £20,000 from that point onwards, in line with the NED fees shown on page 138.

Payments to past Directors

Nick Anderson participated in the 2023 PSP award. The award was pro-rated for the time he worked during the performance period and 20% of the remaining shares will vest in line with the outcome for other Executive Directors. In total 1,148 shares will vest with a vesting value of £79,120 (based on the three-month average closing price for October, November and December 2025 of £68.92).

Payments for loss of office

There were no payments made to Directors for loss of office during the year ended 31 December 2025.

Board changes in 2026

Kevin Thompson will step down from the Board after the 2026 AGM on 13 May 2026. There will be no payments for loss of office for Kevin.

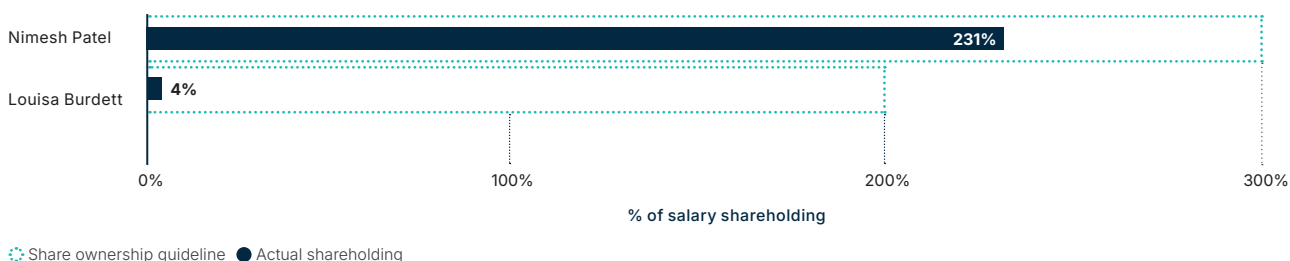
External directorships

Louisa Burdett served as a Non-Executive Director at RS Group plc in 2025, for which she received and retained total fees of £78,476.

Statement of Directors' shareholding and share interests

Share ownership guidelines

The Executive Directors' share ownership guidelines are 300% of base salary for the Group CEO and 200% of base salary for other Executive Directors. The value of the shareholding is taken at 31 December 2025 as a percentage of 2025 base salary. The closing share price on 31 December 2025 was £68.20.



● Share ownership guideline ● Actual shareholding

Outstanding share interests

The following table summarises the total interests of the Directors in shares of the Company as at 31 December 2025 or the date a Director left the Board. These cover beneficial and conditional interests. No Director had any dealing in the shares of the Company between 31 December 2025 and 27 February 2026 (being the latest practicable date prior to publication).

	Beneficial ¹	PSP awards ²	ESOP shares	Total 31/12/2025	Total 27/02/2026
Tim Cobbold	—	—	—	—	—
Nimesh Patel	25,665	45,038	225	70,928	70,936
Louisa Burdett	306	26,814	—	27,120	27,120
Richard Gillingwater	600	—	—	600	600
Maria Antoniou	509	—	—	509	509
Angela Archon	505	—	—	505	505
Constance Baroudel	300	—	—	300	300
Peter France	980	—	—	980	980
Caroline Johnstone	1,091	—	—	1,091	1,091
Andrew Kemp	—	—	—	—	—
Jane Kingston (to 30 September 2025)	6,370	—	—	6,370	6,370
Kevin Thompson	4,900	—	—	4,900	4,900

1 Includes any shares owned by connected persons.

2 Unvested shares remaining subject to performance measures.

Unvested share awards (included in the previous table)

	PSP shares subject to performance conditions			Shares not subject to performance conditions
	2023	2024	2025	2025 ESOP awards ¹
Nimesh Patel	8,515	13,876	22,647	54
Louisa Burdett ²	7,112	9,275	10,427³	—

1 Excludes dividend shares awarded during the year.

2 2023 PSP shares granted as compensation for remuneration forfeited from prior employer.

3 The 2025 PSP shown for Louisa Burdett is the actual grant of 10,427 shares. An additional 4,717 shares are due to be granted in May 2026 to correct the error made in the original grant.

Malus and clawback

Malus and clawback apply to the annual bonus and PSP awards. The circumstances in which these provisions can be used are set out in the Remuneration Policy section of this report on page 152, alongside details of the associated time period. Malus and clawback were not used in 2025.

Annual Report on Remuneration continued

Unaudited information

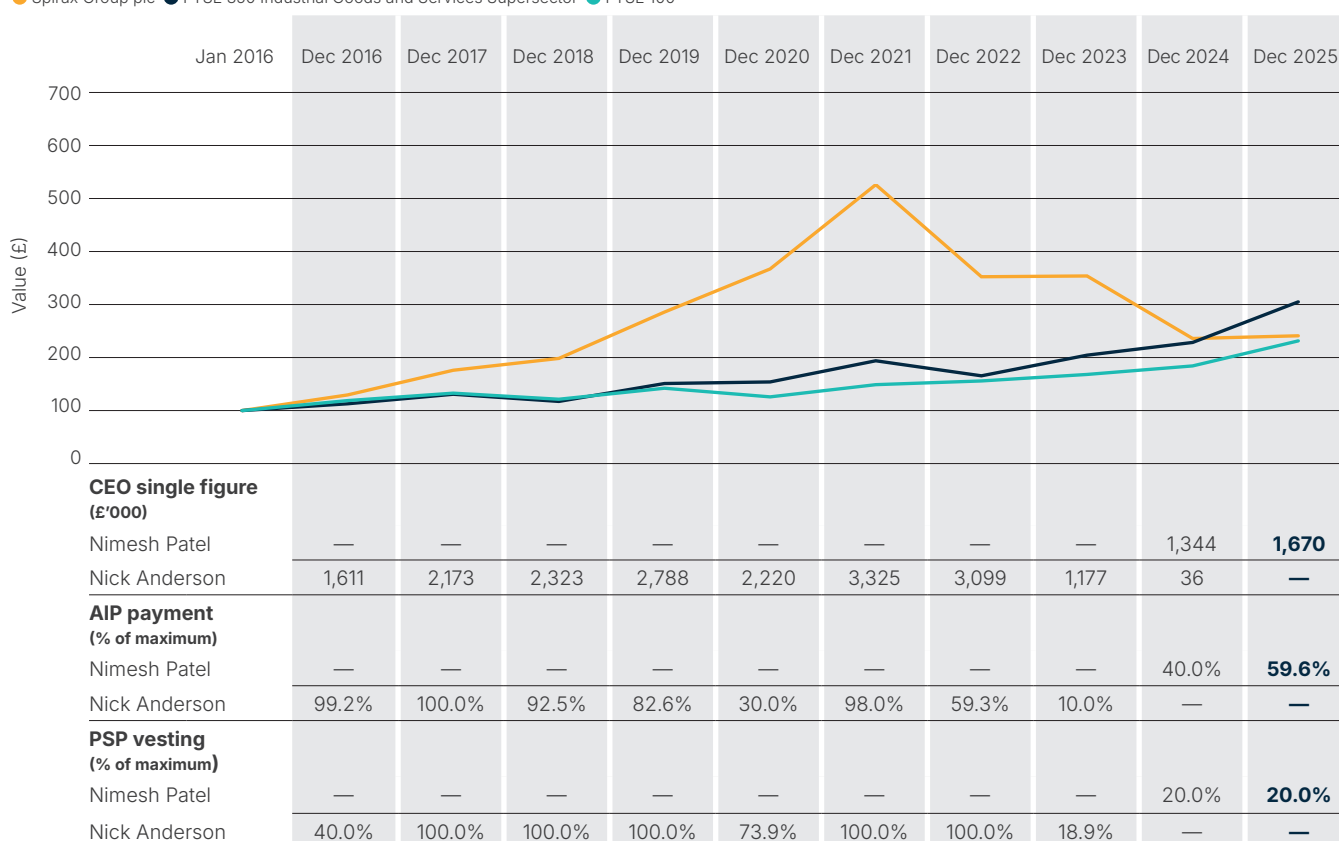
TSR performance graph

The graph below demonstrates the growth in value of a £100 investment in the Group compared to the FTSE 100, less companies in the Mining, Oil & Gas and Financial Services sectors, from January 2016 to December 2025. A comparison against the FTSE 350 Industrial Goods and Services Super sector is also provided. These comparator groups have been chosen as the Company is a constituent of both, with the former also aligning with the TSR peer group used for PSP awards.

Aligning pay with performance

The table below shows the historical levels of the Group CEO's pay (single figure of total remuneration) and annual variable and PSP awards as a percentage of maximum.

● Spirax Group plc ● FTSE 350 Industrial Goods and Services Supersector ● FTSE 100



Percentage change in remuneration of the Directors and colleagues

The following table provides a summary of the increases in base salary, benefits and bonus for the Directors compared to the average increase for colleagues in the same period, for the last five years. The regulations require disclosure of the change in remuneration of the employees of the Parent Company. As Spirax Group plc only employs the Executive Directors (whose individual information is already included below), the general UK colleague population comparator group has been used to give a more meaningful comparison.

	% change on prior year for 2021			% change on prior year for 2022			% change on prior year for 2023			% change on prior year for 2024			% change on prior year for 2025		
	Salary/fees	Benefits	Bonus	Salary/fees	Benefits	Bonus	Salary/fees	Benefits	Bonus	Salary/fees	Benefits	Bonus	Salary/fees	Benefits	Bonus
UK colleagues	2.0	2.0	120.7	2.7	2.7	(26.2)	7.1	7.1	(70.5)	3.1	3.1	246.9	2.2	2.2	24.4
Tim Cobbold (from 1 September 2024)	—	—	—	—	—	—	—	—	—	—	—	—	1,614.3	—	—
Nimesh Patel (CEO from 16 January 2024)	2.0	2.0	240.0	2.7	(33.4)	(36.5)	5.3	7.1	(83.0)	36.0	50.2	552.5	7.2	4.1	57.9
Louisa Burdett (from 8 July 2024)	—	—	—	—	—	—	—	—	—	—	—	—	112.0	112.0	204.5
Richard Gillingwater	—	—	—	16.6	—	—	2.4	—	—	17.2	—	—	1.7	—	—
Maria Antoniou (from 1 June 2025)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Angela Archon	2.0	—	—	10.4	45.7	—	18.0	61.0	—	15.8	11.5	—	1.9	(31.9)	—
Constance Baroude (from 3 August 2023)	—	—	—	—	—	—	—	—	—	171.8	—	—	2.2	—	—
Peter France	2.0	—	—	10.4	—	—	3.0	—	—	13.3	—	—	2.2	—	—
Caroline Johnstone	2.0	—	—	16.6	—	—	2.4	—	—	17.2	—	—	1.7	—	—
Andrew Kemp (from 1 November 2025)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Jane Kingston (to 30 September 2025)	2.0	—	—	16.6	—	—	2.4	—	—	17.2	—	—	(31.1)	—	—
Kevin Thompson	2.0	—	—	16.6	—	—	2.4	—	—	17.2	—	—	1.7	—	—

Group CEO pay ratio

The table below details the ratio of the Group CEO's single figure of total remuneration to the 25th, 50th and 75th percentile total remuneration of the Group's full-time equivalent UK colleagues. As in previous years, Option B has been chosen for these calculations as the data used is consistent with that collected to inform the Group's UK gender pay gap. To ensure the individuals identified at the three quartiles are representative of the UK workforce, the total pay and benefits for a small number of colleagues centred around each quartile were also considered to confirm there were no anomalies. The individuals identified were deemed appropriately representative.

Financial year	Methodology	25th percentile	50th percentile	75th percentile
2025	Option B	45:1	34:1	25:1
2024	Option B	35:1	31:1	19:1
2023	Option B	33:1	28:1	18:1
2022	Option B	91:1	65:1	51:1
2021	Option B	111:1	83:1	62:1
2020	Option B	76:1	66:1	45:1
2019	Option B	110:1	74:1	46:1

Single figure total remuneration (£'000)

	CEO	25th percentile	50th percentile	75th percentile
Salary	763	33	43	59
Benefits	30	1	1	1
Bonus	682	0	1	0
PSP	117	—	—	—
Pension	76	3	4	6
ESOP	2	0	0	1
Total pay	1,670	37	49	67

Annual Report on Remuneration continued

Unaudited information continued

Year-on-year commentary

As shown earlier in this report, a sizeable proportion of the Group CEO's total potential remuneration is linked to performance outcomes which annually impact the pay ratio. Total actual pay outcomes for other colleagues across the Group are less driven by performance outcomes, as is typical in the market. For 2025, the Group CEO pay ratio has increased as a result of an higher AIP outcome. Nimesh Patel's total variable pay for 2025 was £801k, around 48% of total remuneration, compared with 40% (£533k) of 2024 total remuneration. The Committee is comfortable that the median pay ratio for 2025 is consistent with the pay, reward and progression policies for our wider UK employee population.

Relative importance of spend on pay

The table below demonstrates the relative importance of total pay spend relative to total colleague numbers, profit before tax (selected as the best measure of efficiency) and dividends payable in respect of the year.

	2025	2024	Change
Total pay spend	£673.0m	£643.2m	4.6%
Group average headcount	9,951	9,910	0.4%
Adjusted profit before tax	£301.0m	£288.1m	4.5%
Dividends payable	£125.2m	£121.6m	3.0%

Statement of voting at the Annual General Meeting

At the AGM in 2025, shareholders approved the Annual Report on Remuneration 2024. The following table shows the results which required a simple majority (i.e. 50%) of the votes cast to be in favour for the resolutions to be passed.

	Votes for	%	Votes against	%	Votes withheld
Remuneration Policy 2023 (2023 AGM)	54,257,130	91.09	5,303,941	8.91	290,647
Annual Report on Remuneration 2024 (2025 AGM)	60,080,698	97.26	1,692,254	2.74	1,455,931

Directors' service agreements and letters of appointment

	Original appointment date	Current agreement/ appointment/ reappointment letter	Expiry date	Notice period	No. of years' service as at 31 December 2025
Executive Directors					
Nimesh Patel	27/07/2020	16/01/2024	N/A	12 months	5 years, 5 months
Louisa Burdett	08/07/2024	08/07/2024	N/A	12 months	1 year, 5 months
Chair and Non-Executive Directors					
Tim Cobbold	01/09/2024	01/01/2025	31/08/2027	3 months	1 year, 4 months
Richard Gillingwater	10/03/2021	10/03/2024	09/03/2027	1 month	4 years, 9 months
Maria Antoniou	01/06/2025	01/06/2025	31/05/2028	1 month	0 years, 7 months
Angela Archon	01/12/2020	01/12/2023	30/11/2026	1 month	5 years, 1 month
Constance Baroudel	01/08/2023	01/08/2023	31/07/2026	1 month	2 years, 5 months
Peter France	06/03/2018	06/03/2024	05/03/2027	1 month	7 years, 9 months
Caroline Johnstone	05/03/2019	05/03/2025	04/03/2028	1 month	6 years, 9 months
Andrew Kemp	01/11/2025	01/11/2025	31/10/2028	1 month	0 years, 2 months
Kevin Thompson	15/05/2019	15/05/2025	14/05/2028	1 month	6 years, 7 months

The Directors' service contracts and letters of appointment are available for inspection at the Company's registered office and will also be available for inspection at the AGM.

Chair and Non-Executive Directors

The Chair and Non-Executive Directors have letters of appointment with the Company for a period of three years, subject to annual re-election at the AGM. Appointments may be terminated by the Company or individual with three months' notice for the Chair and one month's notice for all other Non-Executive Directors. The appointment letters for the Chair and Non-Executive Directors provide that no compensation is payable on termination, other than accrued fees and expenses.

Remuneration Policy

The Remuneration Policy which applies in respect of 2025 was approved on 10 May 2023 and can be found in full in our 2022 Annual Report on pages 160 to 168 and on our website [spiraxgroup.com](https://www.spiraxgroup.com). The new Remuneration Policy that will apply for the period from 2026 to 2028 is set out in full on the following pages.

2026 Remuneration Policy

The table on page 136 summarises the Remuneration Policy which, if approved, will be effective from the conclusion of the Group's Annual General Meeting (AGM) to be held on Wednesday 13 May 2026.

Changes to the Remuneration Policy

The main proposed change to the Remuneration Policy is as follows:

- Long-term incentives: Increase the maximum opportunity of a performance share award to 300% of salary. As noted in the Chair's Statement, for 2026, the CEO will receive an award of 300% of salary, whilst the CFO will receive an award of 225% of salary

Some further minor changes are being made to provide additional flexibility in the operation of the Policy and to improve its clarity.

Policy review process

In order to avoid any conflict of interest, remuneration is managed through well-defined processes ensuring no individual is involved in the decision-making process related to their own remuneration. In particular, the remuneration of all Executive Directors is set and approved by the Committee and none of the Executive Directors are involved in the determination of their own remuneration arrangements.

Subject to approval by shareholders at the 2026 AGM, this Policy will be effective for the 2026 financial year and will apply to incentive awards with performance periods beginning on 1 January 2026. Payments to Directors can only be made if they are consistent with a shareholder approved Policy or amendment to the Policy.

Statement of consideration of employment conditions elsewhere in the Group

When determining the remuneration of Executive Directors, the Committee considers the pay of colleagues across the Group. When conducting the annual salary review, the average base salary increase awarded to the UK workforce and senior managers across the Group provides a key reference point when determining levels of increase for Executive Director remuneration. The Remuneration Policy was drawn up by the Committee with the benefit of prior engagement with colleagues.

The Committee also determines the principles and policy of remuneration which shall apply to the Group's senior managers. The responsibility for determining precise compensation packages that meet local practice and performance targets lies with the Group Chief Executive Officer and the responsible Business Executive.

To ensure consistency in Remuneration Policy across the Group and to encourage a performance culture, senior managers participate in the performance share awards. The Board believes that share ownership is an effective way of aligning the interests of managers and shareholders and to strengthen the development of the business.

Remuneration policy for other colleagues

The Company's approach to annual salary reviews is consistent across the Group, with consideration given to the scope of the role, level of experience, responsibility, individual performance and market pay levels. The most senior managers in the business (approximately 500 people globally) participate in bonus arrangements with similar targets, measures and relative weightings to those of the Executive Directors.

Target and maximum potential values are lower than for the Executive Directors and are determined by the grade of the manager's role. Performance targets are based on an appropriate combination of Group, Business and local operating company financial measures, in addition to Personal Strategic Objectives.

Contractual terms and benefits for the wider workforce are subject to local employment legislation and best practice.

Statement of consideration of colleague views

In our open culture, we welcome and encourage feedback: from colleagues in one-to-one performance reviews; from Works Council meetings in countries where they operate as a collective voice; engagement surveys; through line manager dialogue: and up through the HR function to the Group Executive Committee and Remuneration Committee.

We undertake a variety of Group-wide engagement activities including via the Colleague Engagement Committee. Previous engagement has included focus groups comprising colleagues drawn from different Businesses, geographies, functions and job roles discussing pay frameworks of our Executives and senior managers. During the year, we undertook our biennial Colleague Engagement Survey, which included questions on pay, benefits, recognition and performance, all of which are linked to our reward frameworks. The Committee will undertake a thorough review of this feedback and in 2026 intends to build a programme of feedback working with the Colleague Engagement Committee to further develop an understanding of our colleagues' views.

Statement of consideration of shareholder views

In developing and reviewing the Company's Remuneration Policy for Executive Directors and other senior executives, the Committee seeks and takes into account the range of views of shareholders and institutional shareholder advisers. The Committee Chair actively engages with major shareholders and institutional shareholder advisers when appropriate.

The Committee considers shareholder feedback received in relation to the AGM each year and guidance from institutional shareholder advisers more generally. This feedback, plus any additional feedback received during the year at meetings with shareholders, is considered as part of the Company's annual Remuneration Policy review. At the AGMs in 2025 and 2024, the advisory votes on the 2024 and 2023 Annual Reports on Remuneration received 97.26% and 96.69% in favour respectively. At the AGM in 2023, the Remuneration Policy received 91.09% in favour.

Specifically in relation to the renewal of this Policy, as set out in the statement by the Committee Chair on pages 132 to 134, engagement was conducted with the Company's largest shareholders and major proxy agencies. The views expressed were considered by the Committee and helped in determining the proposed changes to the Policy.

Measure selection and the target-setting process

Measures are selected taking into account the key strategic priorities of the Company, shareholder expectations and factors that sit within an individual's span of control.

Targets are set with reference to internal and external forecasts to ensure that they are realistic, yet sufficiently stretching. An appropriate mix of long- and short-term targets will be used, informed by the nature of the measure.

2026 Remuneration Policy continued

2026 Remuneration Policy table

The table below sets out the Remuneration Policy which will take effect, if approved, from the AGM to be held on 13 May 2026.

Fixed elements of Executive Director remuneration

Purpose and link to strategy	Operation	Performance measures	Maximum potential value
<p>Base salary</p> <p>To enable the Group to attract, retain and motivate high-performing Executive Directors of the calibre required to meet the Group's strategic objectives.</p>	<p>Normally reviewed on an annual basis by the Committee, taking into account:</p> <ul style="list-style-type: none"> • Scale, scope and complexity of the role • Skills and experience of the individual • Wider workforce comparisons • Market benchmarking, within defined external comparator groups. The Committee uses this information with caution, given the limited number of direct comparators and to avoid remuneration inflation as a result of benchmarking exercises with no corresponding improvement in performance <p>The Committee considers the impact of any base salary increase on the total remuneration package.</p>	<p>Reviews take into account Company and individual performance.</p>	<p>Ordinarily, salary increases will not exceed the average increase awarded to other Group colleagues from the same country/region.</p> <p>A salary increase may be higher than the average increase awarded to colleagues in circumstances such as (i) where a new recruit or promoted Executive Director's salary has been set lower than the market level for such a role; (ii) where there is a significant increase in the size and responsibilities of the Executive Director's role; or (iii) where the salary level has fallen below the lower quartile level against market benchmarks.</p>
<p>Pension</p> <p>To offer appropriate levels of pension.</p>	<p>For UK nationals, the Company provides a defined contribution pension arrangement (DC plan) and/or contributions to a private pension and/or a cash allowance.</p>	<p>N/A</p>	<p>The maximum pension contribution for Executive Directors will be based on the same contribution rate as is available to the majority of colleagues in the market in which the Executive Director is based.</p> <p>Incumbent Executive Directors' maximum pension is in line with the UK workforce, currently 10% of salary.</p> <p>No element other than base salary is pensionable.</p>
<p>Common benefits</p> <p>To provide market competitive benefits.</p> <p>To enable the Executive Directors to undertake their roles through ensuring their wellbeing and security.</p>	<p>The Company provides common benefits including but not limited to:</p> <ul style="list-style-type: none"> • Company car and associated running costs or cash alternative allowance • Private health insurance, telecommunications and computer equipment • Life assurance • Long-term disability insurance 	<p>N/A</p>	<p>The aggregate maximum cash cost of providing all common benefits will not exceed 20% of base salary.</p>
<p>Mobility-related benefits</p> <p>To ensure that Executive Directors who have relocated nationally or internationally are compensated for costs incurred.</p>	<ul style="list-style-type: none"> • The Company will pay all reasonable expenses and applicable tax due for the Executive Director and his/her family to relocate on appointment and for repatriation to the original home country at the end of their assignment and/or employment • Executive Directors are personally responsible for all taxes and social charges incurred in the home and host locations as a result of their appointment. The Company will pay for reasonable tax advice and filing support in relation to work-related income for international Executive Directors • Executive Directors may be reimbursed under a Tax Treaty Adjustment for any double tax they might be liable for as a result of being subject to home country and host country taxation typically for days worked in the home location • Executive Directors are not entitled to tax equalisation 	<p>N/A</p>	<p>Based on individual circumstances and subject to written agreement.</p> <p>Maximum values will not exceed the normal market practice of companies of a similar size and nature at the time of relocation.</p>

Purpose and link to strategy	Operation	Performance measures	Maximum potential value
<p>Annual bonus</p> <p>To incentivise and reward performance against selected KPIs which are directly linked to business strategy.</p> <p>To recognise performance through variable remuneration and enable the Company to flexibly control its cost base and react to events and market circumstances.</p> <p>To ensure a significant proportion of Executive Director remuneration is directly linked to business performance.</p>	<p>Measures, targets and their relative weightings are reviewed regularly by the Committee to ensure continuing alignment with strategic objectives and will be detailed in the relevant Annual Report on Remuneration.</p> <p>Bonus is normally delivered in cash. If an Executive Director has not reached the level of 1.5x their shareholding requirement, then they may be required to use the net of tax amount of 25% of their bonus to increase the level of shareholding they have and to hold these shares for two years.</p> <p>Bonus is subject to clawback and/or malus for up to three years following payment. Circumstances under which clawback and/or malus may apply include financial misstatement, erroneous calculations determining bonus payments, gross misconduct, corporate failure and reputational damage.</p> <p>The Committee can adjust some performance targets to reflect certain non-operating items and retains the ability to adjust the amount of a bonus if it determines that the formulaic outcome is not reflective of the individual or business performance or the broader shareholder experience.</p>	<p>Any performance measure can be incorporated at the Committee's discretion provided it is aligned to the Group's strategic objectives.</p> <p>At least 70% of the bonus opportunity will normally be governed by financial performance measures.</p>	<p>200% of salary.</p> <p>Currently the maximum award level is 150% of salary. Any increase beyond this level will only take place following consultation with leading shareholders.</p> <p>No more than 60% of an individual's maximum bonus opportunity can be earned for target performance in any year.</p> <p>No more than 20% of maximum will be paid for threshold performance.</p>
<p>Long-term incentives</p> <p>To incentivise and reward Executive Directors for delivery against long-term Group performance.</p> <p>To align Executive Directors' interests to those of shareholders.</p> <p>To drive sustainable Company performance.</p> <p>To retain key Executive talent.</p>	<p>The Committee makes conditional awards of rights over shares to Executive Directors.</p> <p>Annual participation is subject to Committee approval.</p> <p>Measures, targets and their relative weightings are reviewed regularly by the Committee to ensure continuing alignment with strategic objectives and will be detailed in the relevant Annual Report on Remuneration.</p> <p>Performance is typically measured over a three-year period, normally starting at the beginning of the financial year in which awards are granted.</p> <p>An additional two-year post-vesting holding period will usually apply.</p> <p>Awards can vest in the form of shares, a nil-cost option or, exceptionally, cash.</p> <p>Share awards are subject to clawback and/or malus for up to five years following initial award. Circumstances under which clawback and/or malus may apply include financial misstatement, erroneous calculations determining payments, gross misconduct, corporate failure and reputational damage.</p> <p>The Committee reserves the right to adjust targets or the calculation of performance achieved, for example for the effects of divestments or major acquisitions, to ensure that they are in line with the principles that supported the targets when they were originally set. The Committee also retains the ability to adjust awards if it determines that the formulaic outcome is not reflective of the individual or business performance or broader shareholder experience.</p> <p>The Committee will be able to add dividend equivalents accrued during vesting and holding periods (which will normally be delivered in shares) to any award granted under this policy.</p>	<p>Vesting for awards to be granted in 2026 will be based on three performance measures, which have been chosen as they are clearly aligned with our strategic objectives:</p> <ul style="list-style-type: none"> • EPS growth • TSR • Sustainability <p>To ensure continued alignment with the Company's strategic priorities, the Committee may, at its discretion, vary the measures and their weightings for future grants from time to time including the consideration of financial and non-financial measures.</p> <p>At least 70% of the award will normally be based on financial and/or share price-related metrics.</p>	<p>300% of the annual rate of salary at the time of award.</p> <p>The threshold vesting level will be no higher than 18% of maximum.</p>

2026 Remuneration Policy continued

2026 Remuneration Policy table continued

Fixed elements of Executive Director remuneration continued

Purpose and link to strategy	Operation	Performance measures	Maximum potential value
<p>Employee Share Ownership Plan (ESOP)</p> <p>To offer all eligible UK-based colleagues the opportunity to build a shareholding in a tax-efficient way.</p> <p>To align Executive Director interests to those of shareholders.</p>	<p>Eligible UK Executive Directors are entitled to participate in an HMRC-approved Share Incentive Plan known as the ESOP.</p> <p>Whilst not currently operated, if in the future colleague share plans are offered outside the UK, or if alternative or additional plans are operated within the UK, eligible Executive Directors will be entitled to participate on the same basis as all other eligible colleagues.</p> <p>Awards granted under the ESOP are not subject to clawback or malus.</p> <p>The ESOP operates over a five-year period.</p>	N/A	Executive Directors will be subject to the same limitations as all other participants.

Other

Purpose and link to strategy	Operation	Performance measures	Maximum potential value
<p>Share ownership guidelines</p> <p>To provide alignment with shareholder interests.</p>	<p>Executive Directors are generally required to accumulate a shareholding in the Company.</p> <p>The Committee will determine the operation of the guidelines from time to time and has determined that the level for the Group Chief Executive is 300% of salary and that the level for other Executive Directors is 200% of salary.</p> <p>On ceasing to be an Executive Director, the required shareholding (or level of holding achieved by the date of ceasing) normally has to be retained for two years.</p>	N/A	N/A

Chair and Non-Executive Directors

Purpose and link to strategy	Operation	Performance measures	Maximum potential value
<p>Fees</p> <p>To attract and retain high-calibre individuals, with appropriate experience or industry-related skills, by offering market competitive fee levels.</p>	<p>The Chair is paid a single fee for all responsibilities.</p> <p>The Non-Executive Directors are paid a basic fee. Additional fees may be paid for additional responsibilities and time commitment (e.g. the Chairs of the main Board Committees, the Senior Independent Director and any individual with other separate responsibilities are paid an additional fee to reflect their extra responsibilities).</p> <p>Fees for the Chair and the Non-Executive Directors are normally reviewed annually by the Remuneration Committee and Board respectively, with reference to any change in the time commitment required, UK market levels and the average base salary increase across the wider workforce.</p> <p>The Group retains the flexibility to pay Chair and Non-Executive Director fees in a form other than cash if deemed appropriate.</p> <p>The Chair and the Non-Executive Directors do not participate in any annual bonus or incentive plans, pension schemes, healthcare benefit arrangements or the Company's share plans. They are not prohibited from participating in other benefit arrangements that are available to substantially all UK-based colleagues so long as there is no additional cost to the Company in them doing so.</p> <p>The Company repays the reasonable expenses (including any tax due thereon) that the Chair and the Non-Executive Directors incur in carrying out their duties as Directors.</p>	N/A	The aggregate value of fees paid to the Chair and Non-Executive Directors will not exceed the amount set out in the Articles of Association.

Notes to the Policy table

Outstanding incentive awards and minor amendments

All incentive awards granted prior to this Policy coming into force will continue on their existing terms, including the exercise of discretion to amend such awards.

The Committee may make minor amendments to the Policy set out in this Policy Report (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

External directorships

Executive Directors are permitted to hold external directorships in order to broaden their experience, to the benefit of the Company. Such appointments are subject to approval by the Board and the Executive Director may retain any fees paid in respect of such directorships.

Approach to recruitment and promotion remuneration

When appointing external hires, promoting Executives, or an Executive Director internally, the Committee will continue to act in the best interests of shareholders when determining remuneration, in line with the stated policy. The main elements of the Remuneration Policy for Executive Director appointments are:

- Base salary will be set on appointment taking into account the factors set out in the Policy table, but also the individual's experience. Depending on an individual's prior experience, the Committee may set salary below market norms, with the intention that it is realigned over time, typically two to three years, subject to performance in the role
- Pension benefits will not exceed the rate applicable to the relevant country's workforce, as determined by the Committee. Executive Directors who have transferred internally from overseas may continue to participate in home country pension arrangements and/or receive a cash allowance in line with the relevant country's workforce
- Mobility-related benefits may include the payment of some or all of an individual's tax on relocation expenses incurred within 12 months of joining
- Ongoing annual incentive pay opportunity will not exceed the maximums stated in the Policy table (up to 200% of salary for annual bonus and an award of up to 300% of salary for performance share awards). In the year of appointment, an off-cycle performance share award may be made and different annual bonus conditions may be applied by the Committee to ensure an immediate alignment of individual interests to those of our shareholders
- In addition to the standard elements of remuneration, on the appointment of an external candidate, the Committee reserves the right to buy out remuneration that the individual has foregone by accepting the appointment, if considered appropriate. The terms of such awards would be informed by the amounts being forfeited and the associated terms (for example, the extent to which the outstanding awards were subject to performance, the vehicles and the associated time horizons). Awards would be made either through the existing share plans or in accordance with the relevant provisions contained within the Listing Rules
- When an internal appointment to the Board is made, any pre-existing obligations may be honoured by the Committee and payment will be permitted under this Remuneration Policy

Service agreements and termination policy

The Company's policy on service agreements and termination arrangements for Executive Directors is set out below. Service agreements are designed to reflect the interests of the Company, as well as the individual concerned. Executive Directors' service agreements are kept at the Company's headquarters in Cheltenham.

In accordance with the Code and guidelines issued by institutional investors, Executive Directors have service agreements that are terminable by either the Company or the Executive Director on 12 months' notice. In the event of termination or resignation, and subject to business reasons, the Company would not necessarily hold the Executive Director to his or her full notice period. All Directors are subject to election (if newly appointed in the year) or re-election at the AGM.

Service agreements set out restrictions on the ability of the Executive Director to participate in businesses competing with those of the Group or to entice or solicit away from the Group any senior colleagues or to solicit/deal with clients of the Group or interfere with supply, in the 12 months following the cessation of employment.

Salary, pension and benefits are included in the agreements and are treated as described in the Policy table on pages 148 to 150. There is no contractual entitlement to payment of an annual bonus or granting of any share award, until individual participation, level of award, measures and targets have been set for a particular year.

In connection with the departure of an Executive Director, the Committee may approve reasonable payments in settlement of potential legal claims, agree to pay legal fees incurred by the individual and/or cover fees for outplacement services. Payment may also be made in relation to accrued but unused holiday.

The Chair and Non-Executive Directors do not have service agreements but serve the Company under letters of appointment, for an initial period of normally three years, subject to annual re-election at the AGM. Appointments may be terminated by the Company or individual with up to three months' notice for a Non-Executive Director and up to six months' notice for the Chair. Currently, notice periods are for one month only.

2026 Remuneration Policy continued

Notes to the Policy table continued

Current Executive Directors and policy for new appointments

The details of the service agreements of the Group Chief Executive and Group Chief Financial Officer and for new appointments to the Board, which include appointing an individual who is not an Executive Director but who still falls within this Policy, are outlined on the following page and comply with best practice.

Treatment of leavers under the incentive plans

Whilst it is not an entitlement, it is expected that where an Executive Director is a 'good leaver' (e.g. where the cessation of employment is due to death or disability or where the ending of employment is instigated by the Company and is not for cause), payments will be made under the annual bonus plan if performance targets are met subject to, and in accordance with, the plan rules and the Policy. If the Executive Director is not a 'good leaver', it is expected that no bonus will be paid.

The treatment of leavers holding share awards is determined in accordance with the relevant shareholder-approved rules, with any awards normally lapsing unless the Executive Director is considered to be a 'good leaver' (e.g. death, disability or other non-cause reasons at the discretion of the Committee). In the case of such 'good leaver' status, the award will normally vest on the normal vesting date. Unless the Committee determines otherwise, vesting will normally be subject to the Committee's assessment of performance and a pro-rata reduction in the number of shares to take account of the period employed within the performance period.

In relation to the ESOP, as an HMRC-approved plan, where an Executive Director leaves the treatment will be in line with the approved plan rules and HMRC guidance.

Change of control

Bonus: Bonus in the year of change of control may be paid based on the Committee's assessment of performance and, unless the Committee determines otherwise, pro-rata for the portion of the year elapsed prior to the change of control.

If termination occurs within 12 months following a change of control, the Executive Director is entitled to (i) a lump sum payment in lieu of notice, and (ii) receive a full bonus payment calculated by reference to the average of the preceding three years' bonus payments (without any reduction or enhancement for performance).

Share awards: In the event of a change of control, outstanding share-based awards vest to the extent that the Committee determines that performance targets are met shortly before the date of the event. Any such vesting would normally have regard to time pro-rating. The Committee may, at its discretion, increase the level of vesting if it believes that exceptional circumstances warrant such treatment. The Committee may replace one or more of the performance criteria or assess the extent to which it determines that targets have been met on a basis that it deems is reasonable in the circumstances.

In each case, the Committee is for these purposes the Remuneration Committee shortly before the change of control takes place.

Details of service agreement clauses

Notice period	12 months by the Executive Director and 12 months by the Company.
Termination	<p>No payment if the Executive Director commits a repudiatory breach of the service agreement or for gross misconduct or in certain circumstances.</p> <p>No additional termination payment if notice worked.</p> <p>If notice only part worked/part on garden leave, payment in respect of unexpired period of notice, otherwise 12 months' base salary only.</p> <p>Company discretion to pay in lieu of notice in a lump sum or monthly except within 12 months of a change of control, when a lump sum will be paid.</p> <p>If paid monthly, payment will be reduced by the value of any salary, fees and benefits, excluding long-term incentives, earned in new paid employment in that period (mitigation clause).</p> <p>No automatic entitlement to payments under the annual bonus or PSP (further details are set out in the 'Treatment of leavers under the incentive plans' section).</p> <p>Garden leave clause.</p> <p>Robust post-termination restrictions on confidentiality, non-compete, non-solicitation and non-interference with customers or suppliers.</p> <p>Service agreements may be terminated without notice and without payment of compensation on the occurrence of certain events, such as gross misconduct or financial misstatement.</p>
Clawback or malus	<p>Bonus payments and long-term incentive awards are subject to clawback or malus until the third anniversary of bonus payment and the fifth anniversary of long-term incentive grant respectively.</p> <p>Circumstances under which clawback or malus may apply include financial misstatement, erroneous calculations determining bonus payment, gross misconduct, reputational damage and corporate failure.</p> <p>The Committee is satisfied that the periods of time over which malus and clawback can be applied are appropriate as they should provide adequate time for audit procedures to identify any relevant events.</p>

Illustrations of application of the Remuneration Policy

Under the Remuneration Policy, a significant portion of remuneration is variable and depends on the Company's performance. Below we illustrate how the total pay opportunity for the Executive Directors varies under four performance scenarios: below threshold, on-target, maximum and maximum with a 50% share price increase.

The scenarios for 2026, informed by the current application of the 2026 to 2028 Remuneration Policy, are as follows:

Element

Fixed pay, benefits and ESOP	Fixed pay and ESOP does not vary with performance and comprises: <ul style="list-style-type: none"> • Base salary effective 1 January 2026 • Benefits value based on 2025 disclosure • Pension value (cash allowance: 10% of salary, applied to 2026 salary) • ESOP participation of up to £1,800 with 1:1 matching shares for eligible Executive Directors
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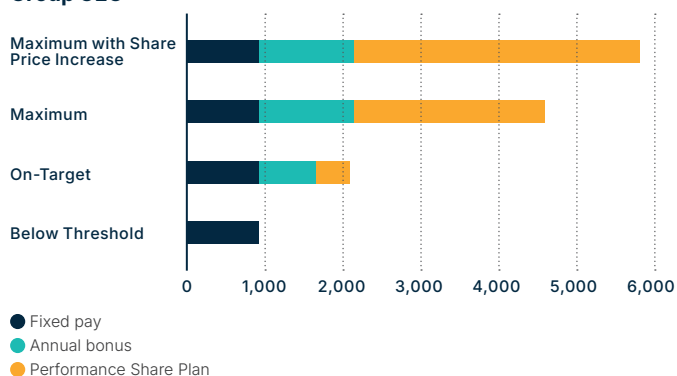
Percentage of base salary

	Below threshold	On-target	Maximum	Maximum with share price increase
Annual bonus (% of salary)	0%	CEO: 90% CFO: 75%	CEO: 150% CFO: 125%	As for maximum
Performance share awards¹ (% of salary at award)	0%	CEO: 54% CFO: 40.5%	CEO: 300% CFO: 225%	As for maximum, with illustration of the value assuming a 50% increase in share price

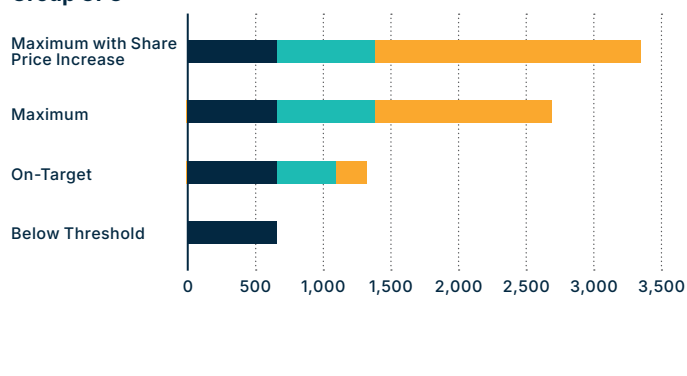
¹ A level of 18% vesting for on-target performance is equivalent to threshold performance for performance share awards and annual bonus, which the Committee believes to be a fair assumption for on-target performance given the approach taken to setting performance targets.

2026 Remuneration Policy scenario £'000s

Group CEO



Group CFO



Maria Antoniou

Chair, Remuneration Committee

9 March 2026

Directors' Report



“
The Directors present their report and the audited Financial Statements of Spirax Group for the year ended 31 December 2025.”

Céline Barroche
Group General Counsel and Company Secretary

The Directors present their Report and the audited Financial Statements of Spirax Group plc. This Directors' Report, together with the sections of the Annual Report incorporated by reference, comprise the Directors' Report for the year ended 31 December 2025.

The Company

Spirax Group plc is a parent company, incorporated and domiciled in England and Wales, company number 00596337, with its registered office at Charlton House Cirencester Road, Charlton Kings, Cheltenham, Gloucestershire, United Kingdom GL53 8ER. The Company is listed on the London Stock Exchange and is a constituent of the FTSE 100 and FTSE4Good share indices.

Reporting obligations

The Directors' Report comprises pages 154 to 156 of this report (together with the sections of the Annual Report incorporated by reference as set out in the table on page 156). Some of the matters required by law have been included in the Strategic Report (inside front cover to page 100) as the Board considers them to be of strategic importance.

For the purposes of compliance with DTR 4.1.5R (2) and DTR 4.1.8R, the required content of the management report can be found in the Strategic Report, including the sections of the Annual Report incorporated by reference. For the purposes of UKLR 6.6.4R, the information required to be disclosed by UKLR 6.6.1R, which is not covered in this Directors' Report, is covered earlier in this Report and referred to in the table on page 156. The regulatory disclosures are made in compliance with the Companies Act 2006 (the Act), the FCA UK Listing Rules (UKLR), the Disclosure Guidance and Transparency Rules (DTR) and the 2024 UK Corporate Governance Code (the Code).

Governance Statement

DTR 7.2.1R requires a company to include in its Directors' Report a Governance Statement containing certain information. However, as allowed by DTR 7.2.9, we have chosen to set out the information in the Governance section of the Annual Report on pages 101 to 157. The Group's risk management and internal control framework and the Principal Risks and uncertainties, described on pages 84 to 91, the various Committee Report on pages 117 to 134 and this Directors' Report also contains required information and are incorporated into this statement by reference.

Directors

The Directors who served during the year and up to the signing of the Annual Report and Accounts were Tim Cobbold, Nimesh Patel, Louisa Burdett, Richard Gillingwater, Maria Antoniou (from 1 June 2025), Angela Archon, Constance Baroude, Peter France, Caroline Johnstone, Andrew Kemp (from 1 November 2025), Jane Kingston (until 30 September 2025) and Kevin Thompson.

We have met or exceeded the Board composition requirements of the Parker Review on ethnic diversity and the FTSE Women Leaders Review on gender diversity on the Board. Biographies of the Directors and details of the gender and ethnic diversity of the Board can be found on pages 106 and 107 and 68.

Results

The Group's results for the year have been prepared in accordance with the International Financial Reporting Standards. They are set out in the Consolidated Income Statement, which appears on page 169.

Dividend

As at 31 December 2025, the Company has distributable reserves of £544.3 million (see the Company Statement of Financial Position on page 168). The Directors are proposing the payment of a final dividend of 121.1 pence (2024: 117.5 pence) which, together with the interim dividend of 48.9 pence (2024: 47.5 pence), makes a total distribution for the year of 170.0 pence (2024: 165.0 pence). If approved at the 2026 Annual General Meeting (AGM), the final dividend will be paid on 22 May 2026 to shareholders on the register at the close of business on 24 April 2026.

Directors' and Officers' insurance

The Company provides Directors' and Officers' Insurance for Board members, as well as directors of the Group's operating companies and senior officers. The Company has also provided each Director with an indemnity to the extent permitted by law in respect of the liabilities incurred as a result of their holding office as a Director of the Company.

Appointment, replacement and powers of Directors

Directors may exercise all the Company's powers, according to the Company's Articles of Association (the Articles) including the appointment and replacement of Directors. The Articles themselves may be amended by a special resolution of the shareholders. You can find the Company's Articles on our website.

In accordance with the Articles and the requirements of the Code, all serving Directors will offer themselves for election or re-election, as appropriate, at the forthcoming AGM.

The Board believes that all Directors continue to perform effectively and are committed to their roles. They also possess the required skills and experience, as detailed in their biographies on pages 106 to 107.

Conflicts of interest

Under the Act and the Company's Articles, the Board must address potential conflicts of interest. Formal procedures are in place for disclosing, reviewing and authorising any conflicts or potential conflicts of interest involving Directors.

The Board reviews and if necessary, authorises conflicts as they arise and conducts an annual review of such matters. New Directors must declare any conflicts at their first Board meeting. The Board believes these procedures are effective.

Capital structure

As of 31 December 2025, the Company had 73,776,048 issued ordinary shares, each with one vote at general meetings. There are no restrictions on share transfers or voting rights, except as stated in the Articles or legislation. Directors can issue and allot ordinary shares, subject to annual renewal by shareholders at the AGM.

On 27 February 2026, the Company held no treasury shares. Changes in issued share capital listed on the London Stock Exchange are detailed in Note 20 on page 193.

Share capital – special rights and restrictions

There are no specific restrictions on shareholding size or voting rights for holders of ordinary shares under the Articles and prevailing laws. The Directors note that only legal restrictions, such as insider trading laws and FCA UK Listing Rules, may limit the transfer of ordinary shares. Employees may need Company approval to deal in its securities.

The Company is unaware of any shareholder agreements restricting share transfers or voting rights. No individual has special control over the Company's share capital and all issued shares are fully paid.

Change of control

The Group's principal borrowing facilities include change of control provisions that could lead to repayment and cancellation. Executive Directors' service agreements state that if terminated after a takeover, they receive salary and benefits and a lump sum for lost future bonuses.

Significant shareholdings

As at 27 February 2026, being the latest date prior to publication, the Company had been notified of the following interests in voting rights pursuant to the requirements of the UK Listing Authority's Disclosure and Transparency Rules DTR 5 each representing 3% or more of the voting rights attached to the Company's issued share capital. There are no controlling shareholders.

	As at 27 February 2026	
	Number of ordinary shares	% of issued share capital
Substantial shareholdings		
BlackRock, Inc.	7,282,933	9.86%
MFS Investment Management	3,790,469	5.15%
Aberdeen Asset Managers Limited	3,832,530	4.99%
Sprucegrove Investment Management	3,847,569	4.97%
Schroders plc	3,842,554	4.86%
Fiera Capital Corporation	3,273,949	4.45%
The Capital Group Companies, Inc	3,610,207	4.90%
Norges Bank Investment Management	2,898,475	3.94%
Eleva UCITS Fund	2,267,860	3.08%

Purchase of own shares

The Company had shareholder authority to buy up to 10% of its shares during the year but made no purchases. This authority expires at the upcoming AGM, where a renewal is proposed.

Employee Benefit Trust (EBT)

As of 31 December 2025, 30,167 shares were held in the EBT for fulfilling employee share awards and options.

Dividends on shares held by the EBT are waived in accordance with the trust arrangements. The waiver applies to dividends declared during the year and is intended to ensure that value is retained for the benefit of shareholders while the shares are held for the purposes of the Company's share-based incentive arrangements.

Auditor

The Company's Auditor for the duration of this Annual Report was Deloitte LLP. Initially appointed on 20 May 2014, Deloitte was reappointed following an audit tender in 2022 and reaffirmed at the 2025 AGM. A resolution to reappoint Deloitte LLP will be proposed at the forthcoming AGM.

Disclosure of information to the Auditor

As of this Annual Report's approval date, each Director confirms they are not aware of any relevant audit information unknown to the Auditor. Each Director has taken necessary steps to ensure they are aware of such information and that the Auditor is informed, in accordance with Section 418 of the Act.

Directors' Report continued

Research and development (R&D)

The Group continues to devote significant resources to the research, development, updating and expansion of its range of products and solutions to remain at the forefront of its world markets.

The R&D functions in STS: Spirax-Sarco, Cheltenham (UK) and Gestra, Bremen (Germany); ETS: Vulcanic, Neuilly-sur-Marne (France) and Thermocoax, Normandy (France); and WMFTS: Falmouth (UK) and Aflex Hose, Huddersfield (UK); and the Product Development functions in Chromalox, Pittsburgh (USA) and Durex Industries, Cary (USA) are tasked with improving the Group's pipeline of new products, accelerating the time to launch, expanding the Group's addressable market and realising additional sales.

Further information on the expenditure on R&D is contained in Note 6 on page 182. The amount of R&D expenditure capitalised and the amount amortised, in the year, are given in Note 14 on pages 188 to 191.

Treasury and foreign exchange

The Group follows approved treasury policies and procedures, managing interest rates on borrowings and cash deposits. It ensures compliance with banking covenants and maintains facilities to support strategic plans. These policies are regularly reviewed. The Group avoids speculative transactions beyond normal trading activities.

To manage exchange rate risk, the Group uses forward contracts and monitors foreign currency exposures.

Political donations

The Group has a policy of not making political donations and no political donations were made during the year (2024: £nil).

Annual General Meeting

The AGM will be held on 13 May 2026 at Charlton House, Cheltenham, UK. Details of the meeting and resolutions are in the Circular to Shareholders and Notice of Meeting (Circular) on our website and sent to shareholders. For updates, visit our website [spiraxgroup.com/agm-notices](https://www.spiraxgroup.com/agm-notices).

Shareholders can vote by submitting a Form of Proxy as per the instructions in the Circular. Vote results will be announced to the London Stock Exchange and posted on our website shortly after the meeting.

The Strategic Report and this Directors' Report were approved by the Board on 9 March 2026.

By order of the Board

Céline Barroche

Group General Counsel and Company Secretary
9 March 2026

Spirax Group plc Registered no. 00596337

Additional information

Disclosure	Page(s)	Location in Annual Report
Asset values	168	Consolidated Statement of Financial Position
Charitable donations	81	Strategic Report: Sustainability Report ¹
Risk management and Principal Risks	84 to 91	Strategic Report ¹
Financial instruments and financial risk management	201 to 207	Note 27, Financial Statements ²
Future developments of the Group's business	49, 53 and 57	Strategic Report ¹
Colleague culture and engagement (includes colleague investment and reward)	66 and 117 to 121	Strategic Report: Sustainability Report ¹ and Colleague Engagement Report
Colleague share schemes (includes Long-Term Incentive Plans)	142, 143 and 195 to 200	Directors' Remuneration Report and Note 22, Financial Statements ²
Health and safety and colleague-related policies including diversity and disability	62 and 63	Strategic Report: Sustainability Report ¹
Movements in share capital	170	Consolidated Statement of Changes in Equity
Greenhouse gas emissions	72 to 75	Strategic Report: Sustainability Report ¹
Going Concern Statement	41	Strategic Report: Financial Review
Directors' Responsibility Statement	157	Statement of Directors' Responsibilities
Directors' interests	143	Directors' Remuneration Report
Stakeholder consideration and engagement	8 to 11	Strategic Report: Stakeholder Engagement and Section 172 Statement ¹

1 The Board has taken advantage of Section 414C(11) of the Act to include disclosures in the Strategic Report on these items.

2 Information required to be disclosed by UKLR 6.6.1R.

Statement of Directors' Responsibilities



The Annual Report 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders."

Louisa Burdett
Group Chief Financial Officer

Board of Directors

The current Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare consolidated Group Financial Statements for each financial year in accordance with IFRS as adopted by the UK. Parent Company Financial Statements are prepared under FRS 101.

In addition, by law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period.

In preparing these Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- State whether applicable UK-adopted International Accounting Standards have been followed for the Group Financial Statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company Financial Statements, subject to any material departures disclosed and explained in the Financial Statements
- Make judgements and accounting estimates that are reasonable and prudent
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its Financial Statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website [spiraxgroup.com](https://www.spiraxgroup.com).

Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Cautionary Statement

All statements other than statements of historical fact included in this document, including those regarding the financial condition, results, operations and Businesses of Spirax Group plc (its strategy, plans and objectives), are forward-looking statements.

These forward-looking statements reflect management's assumptions made based on information available at this time. They involve known and unknown risks, uncertainties and other important factors which could cause the actual results, performance or achievements of Spirax Group plc to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Spirax Group plc and its Directors accept no liability to third parties in respect of this report save as would arise under English law.

Any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with schedule 10A of the Financial Services and Markets Act 2000. Schedule 10A contains limits on the liability of the Directors of Spirax Group plc and their liability is solely to Spirax Group plc.

Responsibility Statement

Each of the Directors, whose names and functions are listed in the Governance Report, confirms that, to the best of their knowledge:

- The Financial Statements, prepared in accordance with IFRS as adopted by the UK, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the Principal Risks and uncertainties that they face
- The Annual Report and Accounts 2025, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's financial position, performance, business model and strategy

This Responsibility Statement was approved by the Board of Directors on 9 March 2026 and is signed on its behalf by:

Louisa Burdett
Group Chief Financial Officer
9 March 2026

Financial Statements

In this section

- 159** Independent Auditor's Report to the members of Spirax Group plc
- 168** Consolidated Statement of Financial Position
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- 169** Consolidated Statement of Comprehensive Income
- 170** Consolidated Statement of Changes in Equity
- 171** Consolidated Statement of Cash Flows
- 172** Notes to the Consolidated Financial Statements
- 208** Appendix: Alternative performance measures
- 215** Company Statement of Financial Position
- 216** Company Statement of Changes in Equity
- 217** Notes to the Company Financial Statements
- 223** Our Global Operations
- IBC** Corporate Information: Officers and advisers

Report on the audit of the Financial Statements

1. Opinion

In our opinion:

- the Financial Statements of Spirax Group plc (the 'Parent Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's profit for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB);
- the Parent Company Financial Statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements which comprise:

- the Consolidated Income Statement;
- the Consolidated Statement of Comprehensive Income;
- the Consolidated and Parent Company Statements of Financial Position;
- the Consolidated and Parent Company Statements of Changes in Equity;
- the Consolidated Statement of Cash Flows; and
- the related Notes 1 to 26 to the Consolidated Financial Statements and 1 to 12 for the Parent Company Financial Statements

The financial reporting framework that has been applied in the preparation of the Group Financial Statements is applicable law, and United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the IASB. The financial reporting framework that has been applied in the preparation of the Parent Company Financial Statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Financial Statements section of our report.

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group and Parent Company for the year are disclosed in Note 6 to the Financial Statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the Parent Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: <ul style="list-style-type: none"> • goodwill valuation for the Electric Thermal Solutions (ETS) group of cash generating units (CGU); • defined benefit pension liability valuation for UK schemes; and • revenue recognition.
Materiality	The materiality that we used for the Group Financial Statements was £15.0m which was determined on the basis of 5% of adjusted profit before tax.
Scoping	We completed audits of the entire financial information on 25 reporting entities and audits of specified account balances were performed on 14 reporting entities. Our audits of the entire financial information and specified account balances covered 73% of total Group revenue and 77% of profit before tax.
Significant changes in our approach	There are no significant changes in our approach, as compared to 2024.

4. Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

To evaluate the Directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting we performed the following:

- evaluated the financing facilities available to the Group including nature of facilities, repayment terms and covenants;
- considered the business model and principal risks and uncertainties;
- challenged the assumptions used in the forecasts by reference to historical performance, trading run rate, and other supporting evidence, such as the current macroeconomic environment;

Report on the audit of the Financial Statements continued

4. Conclusions relating to going concern continued

- recalculated and assessed the amount of headroom in the forecasts (liquidity and covenants);
- evaluated the sensitivity analysis performed by management to consider specific scenarios including a reverse stress test; and
- assessed the appropriateness of the going concern disclosures in the Financial Statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the Financial Statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters communicated below are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Goodwill valuation for the Electrical Thermal Solutions (ETS) group of cash generating units (CGU)

Key audit matter description	<p>The Group holds £663.3m (2024: £669.7m) of goodwill. The value of goodwill for the ETS group of CGUs as at the balance sheet date was £478.7m (2024: £491.3m). The Group performs an impairment review of the carrying value of the ETS group of CGUs on an annual basis in line with the requirements of IAS 36 Impairment of Assets. The impairment assessment involves judgement in considering whether the carrying value of the ETS group of CGUs is recoverable.</p> <p>The Group performs a value in use calculation to measure the recoverable amount of the ETS group of CGUs. There is a high level of judgement surrounding the valuation of goodwill for the ETS group of CGUs due to the significant growth anticipated in the Group's forecasts. Key judgements include assumptions in estimating future revenue and earnings before interest and tax (EBIT) margins in the short term (2026-2030); alongside setting an appropriate discount rate. We have identified a key audit matter due to sensitivity of the Group's valuation to these assumptions.</p> <p>The Audit Committee Report on page 129 refers to impairment of goodwill and other intangibles as an area considered by the Audit Committee. Note 1 to the Consolidated Financial Statements sets out the Group's accounting policy for testing of goodwill for impairment. The basis for the impairment reviews is outlined in Note 14 to the Consolidated Financial Statements, including details of the discount rates and growth rates used. Note 14 to the Consolidated Financial Statements also includes details of the extent to which the CGU, to which the goodwill and other intangible assets are allocated, are sensitive to changes in the key inputs.</p>
How the scope of our audit responded to the key audit matter	<p>In response to the key audit matter identified, we performed the following procedures:</p> <ul style="list-style-type: none"> • obtained an understanding of the relevant controls relating to the goodwill impairment review process; • assessed the integrity of the Group's impairment model through testing of the mechanical accuracy and evaluating the application of the input assumptions; • evaluated the revenue and EBIT growth assumptions, held meetings with finance and commercial management and visited key facilities within the ETS business (Ogden and Durex) to understand and assess the reasonableness of growth assumptions within the impairment model; • considered external evidence, such as forecast Industrial Production ("IP") and GDP growth, market reports and order intake, and with the support of our industry specialists assessed the accuracy and reasonableness of the Group's forecasts; • compared the change in model assumptions from 2024 and understood the driver of any variances; • evaluated historical forecasting accuracy by comparing prior year plans to actual results achieved; • with the involvement of our internal valuations specialist, we assessed the appropriateness of the discount rate used utilising their knowledge and expertise; • completed a stand back review by evaluating the reasonableness of the assumptions in aggregate, by comparing the EBIT multiple of the ETS group to the EBIT multiple of the Group, and the relative Group enterprise value to the value in use; and • assessed the appropriateness of the related disclosures.
Key observations	<p>From the work performed above we are satisfied that the value in use used in the goodwill impairment review for the ETS group of CGUs supports the carrying value and therefore we are satisfied with the goodwill valuation of the ETS group of CGUs. This was on the basis that the key assumptions, applied, when taken in aggregate, are within our acceptable range. We consider the related disclosures to be appropriate.</p>

Report on the audit of the Financial Statements continued

5. Key audit matters continued

5.2. Defined benefit pension liability valuation for UK schemes

Key audit matter description	<p>At 31 December 2025 the gross UK retirement benefit liability recognised in the Consolidated Statement of Financial Position was £272.3m (2024: £280.9m). There is a risk of material misstatement relating to the judgements made by the Group in valuing the defined benefit pension liabilities including the use of key model input assumptions, specifically the discount rates, mortality assumptions and inflation rates over the three main UK schemes. These variables can have a material impact in assessing the quantum of the retirement benefit liability. The Group involved third party actuaries to complete valuations of the pension liabilities.</p> <p>Refer to Note 1 for the Group's policy on defined benefit plans and post-retirement benefit key sources of estimation uncertainty, Note 22 for the financial disclosure including the key estimates and assumptions used in the defined benefit pension liability valuations and the financial reporting matters and accounting judgements section of the Audit Committee Report on page 129.</p>
How the scope of our audit responded to the key audit matter	<p>In response to the key audit matter identified, we performed the following procedures:</p> <ul style="list-style-type: none"> • obtained an understanding of the relevant controls relating to the determination and review of the key model input assumptions; • with the involvement of our internal actuarial specialists, we assessed the key assumptions applied in determining the pension obligations for the three UK pension schemes, and assessed whether the key model input assumptions are reasonable; • for each of the three UK schemes, we challenged the Group's key model input assumptions by reference to illustrative benchmark rates; and • evaluated the competence of management's expert, their capabilities and objectivity.
Key observations	<p>From the work performed, we are satisfied that the valuation of the defined benefit pension liability of the UK schemes is appropriate and the key model input assumptions applied in respect of the valuation of the UK schemes' liabilities are reasonable.</p>

5.3. Revenue recognition

Key audit matter description	<p>The Group recognised revenue of £1,702.9m (2024: £1,665.2m) through the provision of goods and services accounted for under IFRS 15 Revenue from Contracts with Customers.</p> <p>Given the disaggregated nature of the Group, the range of products, customers and markets spanning across numerous countries and sectors, understanding the revenue recognition process and the control environment underpinned our central risk assessment and the basis for our planned audit procedures.</p> <p>Due to the large number of revenue transactions recognised across multiple businesses, this is an area which requires a significant allocation of resources and effort in the audit.</p> <p>Refer to Note 1 for the Group's revenue recognition policy and Note 2 for the Group's segmental reporting showing revenue by operating segment.</p>
How the scope of our audit responded to the key audit matter	<p>Our audit response consisted of a combination of procedures varying depending on the nature of the component, including:</p> <ul style="list-style-type: none"> • obtained an understanding of the relevant controls relating to the revenue cycle; • with the involvement of our data and analytics specialists developed bespoke analytics to assess transactions recorded in the year at a number of in scope components. The analytics automatically reconciled underlying transaction data across key factors such as pricing, quantities, and timing. These data analytical tools allowed us to scrutinise large transactional data sets for unusual trends, and to identify outliers in a revenue population for further investigation and testing; • tested the accuracy and completeness of the data utilised in those analytics through agreeing a sample to supporting documentation; • evaluated the product dispatch cycle and revenue recognition profile across the year-end period; • for the components not subject to bespoke analytics, we evaluated a sample of items by assessing whether the performance obligation was met in line with the revenue recognition date in accordance with the terms of trade with customers; and • assessed the appropriateness of the related disclosures.
Key observations	<p>From the procedures performed above, we consider that revenue has been appropriately recognised in the year.</p>

Report on the audit of the Financial Statements continued

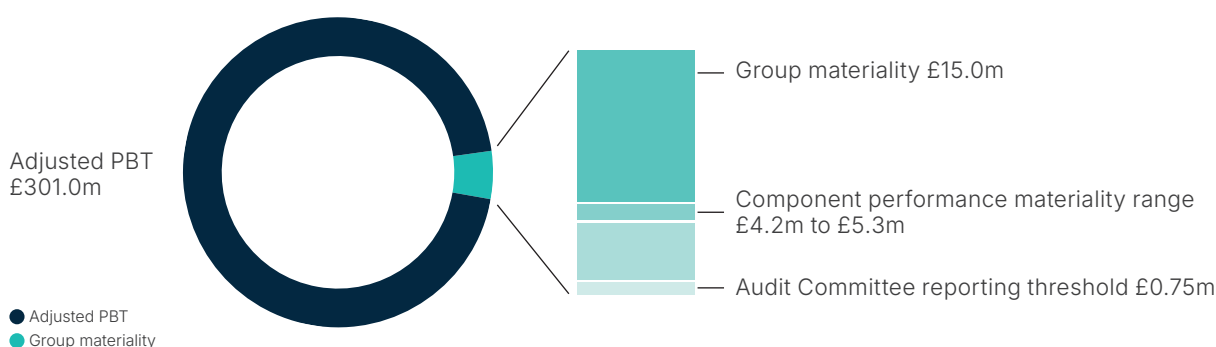
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole as follows:

	Group Financial Statements	Parent Company Financial Statements
Materiality	£15.0m (2024: £15.0m)	£5.3m (2024: £5.6m)
Basis for determining materiality	We determined materiality on the basis of 5% of adjusted profit before tax (2024: 5% of adjusted profit before tax) as disclosed on page 212 of the Annual Report.	Parent Company materiality is set at 3% of net assets (2024: 3% of net assets), which is capped at 50% of the Group performance materiality. This is consistent with prior year.
Rationale for the benchmark applied	We have used adjusted profit before tax for determining materiality. This is considered to be a key benchmark as this metric is important to the users of the Financial Statements (investors and analysts being the key users for a listed entity) because it portrays the performance of the business and hence its ability to pay a return on investment to the investors.	We have considered net assets as the appropriate measure given the Parent Company is primarily a holding company for the Group.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the Financial Statements as a whole.

	Group Financial Statements	Parent Company Financial Statements
Performance materiality	70% (2024: 70%) of Group materiality	70% (2024: 70%) of Parent Company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered our risk assessment, including our assessment of the Group's overall control environment and the low level of corrected and uncorrected misstatements identified in previous audits. We have also considered changes in key management personnel of the Group.	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.75m (2024: £0.75m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the Financial Statements.

Report on the audit of the Financial Statements continued

7. An overview of the scope of our audit

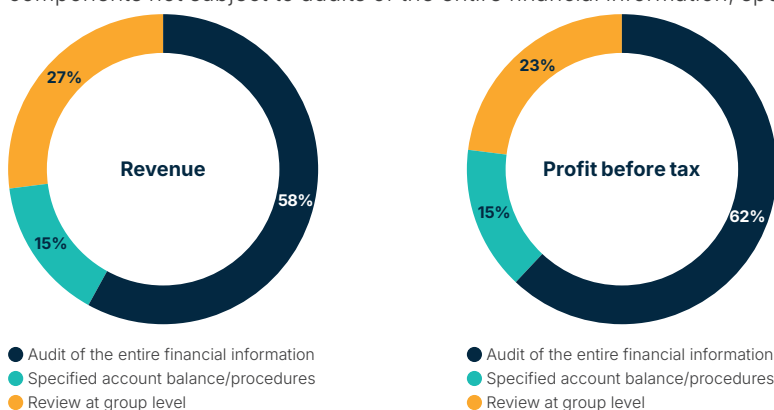
7.1. Identification and scoping of components

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level. At the planning stage we used analytical tools, in consideration of trends and relationships as well as significance of different components, in order to determine an appropriate scope.

Based on that assessment, we focused our Group audit scope primarily on the audit work at 39 components (2024: 42 components). 25 components (2024: 24 components) of these were subject to an audit of the entire financial information and 14 components (2024: 18 components) were subject to specified account balance procedures where the extent of our testing was based on our assessment of the risks of material misstatement and of the or audit materiality of the Group's operations at those components. These components represent the principal business units and account for 73% (2024: 73%) of the Group's revenue and 77% (2024: 83%) of profit before tax. They were also selected to provide an appropriate basis for undertaking audit work to address the risks of material misstatement identified at the Group level. In addition, the Group team performed audit procedures to obtain additional coverage over certain account balances including cash, intangible assets and provisions.

The Parent company is located in the UK and is audited directly by the Group audit team. Our work on the components, including the Parent company, was executed at levels of performance materiality applicable to each individual component, which were lower than Group materiality and ranged from £4.2m to £5.3m (2024: £4.5m to £5.6m).

At the Group level, we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to audits of the entire financial information, specified account balances.



7.2. Our consideration of the control environment

The Group operates a range of IT systems which underpin the financial reporting processes. This can vary by geography and/or reporting entity. For certain components subject to audits of the entire financial information, we identified relevant IT systems for the purpose of our audit work. These were typically the principal Enterprise Resource Planning (ERP) systems for each relevant component that govern the general ledger and transaction accounting balances and also included the Group's consolidation system. Our approach was principally designed to inform our risk assessment and, as such, with the involvement of our IT specialists we obtained an understanding of relevant IT controls and tested the general IT controls for some operating entities.

Consistent with the prior year, in the current year we did not plan to rely on the operating effectiveness of controls (automated or otherwise). This strategy reflected our historical knowledge of the: disaggregated nature of the control environment, which brings inherent segregation of duty challenges in certain smaller businesses; limited formality of the control environment, specifically around retention of evidence of a control's operation sufficient for testing purposes; and our understanding of the Group's business transformation programme to upgrade legacy systems, including gaps in associated user access and change management controls. This understanding was reconfirmed in the current year and was factored into our planned audit approach and risk assessment.

The Group-wide G3 programme seeks to enhance the internal control framework and has both IT and business control aspects that span multi-years. Therefore, in addition to the audit work on IT controls described above and continuing the audit plan from the prior year, additional audit work on controls was performed on key financial reporting process cycles to inform our risk assessment, and to assess consistency between our knowledge and the other information.

The Group continues to invest time in responding to and addressing our observations on IT and entity level controls. Management determines their response to these observations and continues to monitor their resolution with reporting to and oversight from the Audit Committee as explained in the Audit Committee report on page 127, which includes consideration of developments in control in the context of the FRC guidance and changes to the Corporate Governance Code. As the Group develops and completes the business transformation project, we expect our audit approach to evolve in future years alongside these developments in the internal control environment.

Report on the audit of the Financial Statements continued

7. An overview of the scope of our audit continued

7.3. Our consideration of climate-related risks

In planning our audit, we have considered the potential impact of climate change on the Group's business and its Financial Statements.

The Group has assessed the risk and opportunities relevant to climate change which has been included as an emerging risk across the Group. This risk has also been considered and embedded into the businesses as explained in the Strategic Report on page 86.

In combination with internal sustainability specialists, we have obtained the Group's risk register and held discussions with those charged with governance to understand the process of identifying climate-related risks, the determination of mitigating actions and the impact on the Group's Financial Statements. Whilst the Group has acknowledged that the transition and physical risks posed by climate change have the potential to impact the medium to long term success of the business, they have assessed that there is no material impact arising from climate change on the judgements and estimates determining the valuations within the Financial Statements as at 31 December 2025 as explained in Note 1.

We performed our own qualitative risk assessment of the potential impact of climate change on the Group's account balances and classes of transactions, and did not identify any additional risks of material misstatement. We have also evaluated the appropriateness of disclosures included in the Financial Statements and read climate-related disclosures included in the Strategic Report to consider whether they are materially consistent with the disclosures made in the Financial Statements and our knowledge obtained in the audit.

7.4. Working with other auditors

The Group audit was conducted exclusively by a global network of Deloitte member firms under the direction and supervision of the UK Group audit team. Detailed instructions were sent to each component audit team to set out the scope, timing and extent of the audit. Dedicated members of the Group audit team were assigned to each component to facilitate an effective and consistent approach to component oversight. We reviewed the work performed by component teams and discussed the results with them, including holding planning meetings. We maintained regular communication between the Group and component teams and remote access to relevant documents was provided. Based on our understanding of each component, for certain components we conducted in-person site visits and additionally, we increased our interaction with certain component audit teams based on our professional judgement.

8. Other information

The other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Report on the audit of the Financial Statements continued

10. Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
- the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error is approved annually by the board, most recently on 5 March 2026;
- results of our enquiries of management, internal audit, the Directors and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, valuations, pensions, sustainability, industry and IT specialists regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the Financial Statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Listing Rules, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the Financial Statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty.

Report on the audit of the Financial Statements continued

11. Extent to which the audit was considered capable of detecting irregularities, including fraud continued

11.2. Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the Financial Statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the Financial Statements;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' Report.

13. Corporate Governance Statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements and our knowledge obtained during the audit:

- the Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 41;
- the Directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 41;
- the Directors' statement on fair, balanced and understandable set out on page 131;
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 124;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 130; and
- the section describing the work of the Audit Committee set out on page 128.

Report on other legal and regulatory requirements continued

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company Financial Statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of Directors' remuneration have not been made or the part of the Directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the Audit Committee, we were appointed by the Directors and subsequently at the Annual General Meeting on 11 May 2014 to audit the Financial Statements for the year ending 31 December 2014 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 12 years, covering the years ending 31 December 2014 to 31 December 2025.

15.2. Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these Financial Statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Dean Cook MA FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
9 March 2026

Consolidated Statement of Financial Position at 31 December 2025

	Notes	2025 £m	2024 £m
Assets			
Non-current assets			
Property, plant and equipment	12	425.8	433.1
Right-of-use assets	13	89.8	95.6
Goodwill	14	663.3	669.7
Other intangible assets	14	396.1	420.4
Prepayments		2.4	1.8
Investment in Associate	11	3.3	3.3
Deferred tax assets	15	32.8	34.2
		1,613.5	1,658.1
Current assets			
Inventories	16	252.4	253.2
Trade receivables	25	323.2	313.8
Other current assets	17	86.8	75.1
Taxation recoverable		13.1	10.6
Assets classified as held for sale	26	3.1	—
Cash and cash equivalents	23	369.0	334.2
		1,047.6	986.9
Total assets		2,661.1	2,645.0
Equity and liabilities			
Current liabilities			
Trade and other payables	18	268.9	263.0
Provisions	19	12.9	5.4
Bank overdrafts	23	129.3	100.3
Current portion of long-term borrowings	23	107.2	123.9
Short-term lease liabilities	23	17.1	17.2
Current tax payable		30.2	23.3
		565.6	533.1
Net current assets		482.0	453.8
Non-current liabilities			
Long-term borrowings	23	697.2	706.2
Long-term lease liabilities	23	73.1	77.9
Deferred tax liabilities	15	59.6	63.6
Post-retirement benefits	22	30.0	42.5
Provisions	19	8.2	6.3
Long-term payables		5.1	6.2
		873.2	902.7
Total liabilities		1,438.8	1,435.8
Net assets	2	1,222.3	1,209.2
Equity			
Share capital	20	19.9	19.8
Share premium account		92.3	92.0
Translation reserve	20	(126.7)	(86.1)
Other reserves	20	(0.2)	(7.5)
Retained earnings		1,236.8	1,190.6
Equity shareholders' funds		1,222.1	1,208.8
Non-controlling interest		0.2	0.4
Total equity		1,222.3	1,209.2
Total equity and liabilities		2,661.1	2,645.0

These Consolidated Financial Statements of Spirax Group plc, company number 00596337, were approved by the Board of Directors and authorised for issue on 9 March 2026 and signed on its behalf by:

N.B. Patel
Director

L. S. Burdett
Director

Consolidated Income Statement for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Revenue	2	1,702.9	1,665.2
Operating costs	3	(1,437.5)	(1,360.6)
Operating profit	2	265.4	304.6
Financing expenses		(47.0)	(56.7)
Financing income		8.7	13.0
Net financing expense	2, 5	(38.3)	(43.7)
Share of loss of Associate	11	(0.6)	(2.0)
Profit before taxation	6	226.5	258.9
Taxation	8	(62.9)	(67.5)
Profit for the year		163.6	191.4
Attributable to:			
Equity shareholders		163.4	191.2
Non-controlling interest		0.2	0.2
Profit for the year		163.6	191.4
Earnings per share	9		
Basic earnings per share		221.7p	259.6p
Diluted earnings per share		221.2p	258.9p
Dividends	10		
Dividends per share		170.0p	165.0p
Dividends paid during the year (per share)		166.2p	161.5p

The Notes on pages 172 to 207 form an integral part of the Consolidated Financial Statements.

Consolidated Statement of Comprehensive Income for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Profit for the year		163.6	191.4
Items that will not be reclassified to profit or loss:			
Remeasurement gain on post-retirement benefits	22	7.6	3.6
Deferred tax on remeasurement gain on post-retirement benefits	15, 22	(2.3)	(1.1)
		5.3	2.5
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation and net investment hedges loss	20	(40.6)	(25.7)
Gain/(loss) on cash flow hedges net of tax	20, 25	2.5	(2.3)
		(38.1)	(28.0)
Total comprehensive income for the year		130.8	165.9
Attributable to:			
Equity shareholders		130.6	165.7
Non-controlling interest		0.2	0.2
Total comprehensive income for the year		130.8	165.9

Consolidated Statement of Changes in Equity for the year ended 31 December 2025

	Notes	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings £m	Equity shareholders' funds £m	Non-controlling interest £m	Total equity £m
Balance at 1 January 2025		19.8	92.0	(86.1)	(7.5)	1,190.6	1,208.8	0.4	1,209.2
Profit for the year		—	—	—	—	163.4	163.4	0.2	163.6
Other comprehensive (expense)/income:									
Foreign exchange translation and net investment hedges loss	20	—	—	(40.6)	—	—	(40.6)	—	(40.6)
Remeasurement gain on post-retirement benefits	22	—	—	—	—	7.6	7.6	—	7.6
Deferred tax on remeasurement gain on post-retirement benefits	15, 22	—	—	—	—	(2.3)	(2.3)	—	(2.3)
Gain on cash flow hedges net of tax	20, 25	—	—	—	2.5	—	2.5	—	2.5
Total other comprehensive (expense)/income for the year		—	—	(40.6)	2.5	5.3	(32.8)	—	(32.8)
Total comprehensive income/(expense) for the year		—	—	(40.6)	2.5	168.7	130.6	0.2	130.8
Contributions by and distributions to owners of the Company:									
Dividends paid	10	—	—	—	—	(122.5)	(122.5)	(0.3)	(122.8)
Purchase of shares from NCI		—	—	—	—	—	—	(0.1)	(0.1)
Issue of share capital	20	0.1	0.3	—	—	—	0.4	—	0.4
Employee Benefit Trust shares	20	—	—	—	4.8	—	4.8	—	4.8
Balance at 31 December 2025		19.9	92.3	(126.7)	(0.2)	1,236.8	1,222.1	0.2	1,222.3

Other reserves represent the Group's cash flow hedges, capital redemption and Employee Benefit Trust reserves (see Note 20). The non-controlling interest is a 1.3% (2024: 1.6%) share of Spirax Sarco Korea Ltd held by employee shareholders.

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

	Notes	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings £m	Equity shareholders' funds £m	Non-controlling interest £m	Total equity £m
Balance at 1 January 2024		19.8	90.1	(60.4)	(12.9)	1,120.3	1,156.9	0.8	1,157.7
Profit for the year		—	—	—	—	191.2	191.2	0.2	191.4
Other comprehensive (expense)/income:									
Foreign exchange translation and net investment hedges loss	20	—	—	(25.7)	—	—	(25.7)	—	(25.7)
Remeasurement gain on post-retirement benefits	22	—	—	—	—	3.6	3.6	—	3.6
Deferred tax on remeasurement gain on post-retirement benefits	15, 22	—	—	—	—	(1.1)	(1.1)	—	(1.1)
Loss on cash flow hedges net of tax	20, 25	—	—	—	(2.3)	—	(2.3)	—	(2.3)
Total other comprehensive (expense)/income for the year		—	—	(25.7)	(2.3)	2.5	(25.5)	—	(25.5)
Total comprehensive income/(expense) for the year		—	—	(25.7)	(2.3)	193.7	165.7	0.2	165.9
Contributions by and distributions to owners of the Company:									
Dividends paid	10	—	—	—	—	(119.0)	(119.0)	(0.3)	(119.3)
Equity settled share plans net of tax		—	—	—	—	(3.9)	(3.9)	—	(3.9)
Purchase of shares from NCI		—	—	—	—	(0.5)	(0.5)	(0.3)	(0.8)
Issue of share capital	20	—	1.9	—	—	—	1.9	—	1.9
Employee Benefit Trust shares	20	—	—	—	7.7	—	7.7	—	7.7
Balance at 31 December 2024		19.8	92.0	(86.1)	(7.5)	1,190.6	1,208.8	0.4	1,209.2

Consolidated Statement of Cash Flows for the year ended 31 December 2025

	Notes	2025 £m	2024 £m
Cash flows from operating activities			
Profit before taxation		226.5	258.9
Depreciation, amortisation and impairment	2, 3	102.2	103.7
Profit on disposal of property, plant and equipment	6	(1.1)	(3.8)
Share of loss of Associate	11	0.6	2.0
Contributions to pension schemes	22	(7.1)	(6.4)
Profit on disposal of Associate		—	(3.2)
Acquisition-related items		—	(7.3)
Restructuring-related provisions and current asset impairments		14.9	(2.4)
Equity settled share plans	22	6.4	3.1
Net financing expense	5	38.3	43.7
Operating cash flow before changes in working capital and provisions		380.7	388.3
(Increase)/decrease in trade and other receivables		(26.0)	(34.5)
(Increase)/decrease in inventories		(6.1)	21.9
Increase/(decrease) in provisions		0.1	(2.5)
Increase/(decrease) in trade and other payables		13.4	16.1
Cash generated from operations		362.1	389.3
Income taxes paid		(65.9)	(76.5)
Net cash from operating activities		296.2	312.8
Cash flows from investing activities			
Purchase of property, plant and equipment	12	(47.8)	(74.3)
Proceeds from sale of non-current assets		3.3	9.2
Purchase of software and other intangibles	14	(16.0)	(14.6)
Development expenditure capitalised	14	(4.2)	(3.9)
Disposal of Associate		—	5.6
Acquisition of businesses net of cash acquired		(10.6)	(4.5)
Acquisition of businesses reimbursed consideration		—	4.2
Interest received	5	8.7	13.0
Net cash used in investing activities		(66.6)	(65.3)
Cash flows from financing activities			
Proceeds from issue of share capital	20	0.3	1.9
Repaid borrowings	23	(37.5)	(103.0)
New borrowings	23	—	76.8
Interest paid and interest on lease liabilities	5	(45.3)	(54.8)
Repayment of lease liabilities	23	(18.0)	(16.6)
Dividends paid (including minorities)		(122.8)	(119.3)
Net cash used in financing activities		(223.3)	(215.0)
Net change in cash and cash equivalents	23	6.3	32.5
Net cash and cash equivalents at beginning of the year	23	233.9	212.8
Exchange movement	23	(0.5)	(11.4)
Net cash and cash equivalents at end of the year	23	239.7	233.9
Borrowings	23	(804.4)	(830.1)
Net debt at end of the year	23	(564.7)	(596.2)
Lease liabilities	23	(90.2)	(95.1)
Net debt including lease liabilities at end of the year	23	(654.9)	(691.3)

1 Accounting policies

Basis of preparation

The Consolidated Financial Statements have been prepared on a historical cost basis except for items that are required by International Financial Reporting Standards (IFRS) to be measured at fair value, principally certain financial instruments. The Consolidated Financial Statements have been prepared in accordance with IFRS which includes the standards and interpretations issued by the International Accounting Standards Board (IASB) that have been adopted by the United Kingdom (UK).

The preparation of Consolidated Financial Statements in conformity with IFRS requires the Directors to apply IAS 1 and make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The Directors have concluded that no critical judgements, apart from those involving estimations (which are dealt with separately below) have been made in the process of applying the Group's accounting policies.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are outlined below.

(i) Post-retirement benefits

The Group's defined benefit obligation is assessed by selecting key assumptions. The selection of mortality rates, discount rates and inflation are key sources of estimation uncertainty which could lead to material adjustment in the defined benefit obligation within the next financial year. These assumptions are set with close reference to market conditions.

The Group's defined benefit obligation is discounted at a rate set by reference to market yields at the end of the reporting period on high-quality corporate bonds. The most significant criteria considered for the selection of bonds include the issue size of the corporate bonds, the quality of the bonds and the identification of outliers which are excluded.

The assumptions selected and associated sensitivity analysis are disclosed in Note 22.

Climate change

Climate change is an emerging global risk. The Group contributes to limiting global warming by improving energy efficiency, reducing emissions and supporting customers to do the same. Growing climate awareness and customer sustainability targets also present opportunities for business growth through our efficiency-enhancing products and solutions.

In preparing the Consolidated Financial Statements, the Directors have considered the impact of climate change, particularly in the context of risk identified in the TCFD disclosures on pages 92 to 100. There has been no material impact identified on the financial reporting judgements and estimates. In particular, the Directors have considered the impact of climate change in respect of the following areas:

- Assessment of impairment of goodwill, other intangibles and tangible assets
- Going Concern and Viability Statements
- Impact on useful economic lives of assets
- Preparation of budgets and cash flow forecasts

The assessment performed did not identify any material climate-related risks that would give rise to adjustments to the carrying amounts of assets or liabilities, nor to additional disclosures. The Directors recognise that climate-related risks continue to develop and will reassess these risks regularly, taking into account their possible implications for the key judgements, estimates and assumptions underpinning the preparation of the Consolidated Financial Statements.

The Group has considerable financial resources together with a diverse range of products and customers across wide geographic areas and industries. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully.

Further information on the Group's business activities, performance and position, together with the financial position of the Group, its capital structure and cash flow are included in the Strategic Report from the inside front cover to page 100. In addition, Note 25 to the Consolidated Financial Statements discloses details of the Group's financial risk management and credit facilities.

The Consolidated Financial Statements are presented in pounds sterling, which is the Group's functional currency, rounded to the nearest one hundred thousand.

1 Accounting policies continued

Basis of preparation continued

New standards and interpretations applied in the current year

During the current year, the Group has applied the following amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) effective for annual periods that begin on or after 1 January 2025. Adoption has not had a material impact on the disclosures or on the amounts reported in these Consolidated Financial Statements:

- Amendments to IAS 21: The effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

New standards and interpretations not yet applied

At the date of authorisation of these Consolidated Financial Statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective. The Directors do not expect that the adoption of the Standards listed below will have a material impact on the Consolidated Financial Statements of the Group in future periods.

- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments (1 January 2026)
- Amendments to IFRS 9 and IFRS 7: Contracts referencing Nature-dependent Electricity (1 January 2026)
- IFRS 19: Subsidiaries without Public Accounting Accountability – Disclosures (1 January 2027)
- IFRS 18: Presentation and Disclosures in Financial Statements (1 January 2027)

The Group has performed an initial assessment of IFRS 18, which is effective for annual reporting periods beginning on or after 1 January 2027. Based on the review to date, the standard is not expected to have a material impact on the Consolidated Financial Statements. The Group will continue to monitor developments and assess the implications as part of its ongoing reporting processes.

At 31 December 2025 the Group has performed a review of the impact of the application of IAS 29 and concluded that the adoption of IAS 29 is not required as its impact on the Consolidated Financial Statements is not material. The Group will continue to monitor and assess this position going forward.

Basis of accounting

(i) Subsidiaries

The Consolidated Financial Statements include the results of the Company and all its subsidiary undertakings. Subsidiaries are entities controlled by the Group. Control is achieved when the Group has power over an entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to use its power to affect those returns. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial results of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

(ii) Associates

Associates are those entities for which the Group has significant influence, but not control, over the financial and operating policies. The Consolidated Financial Statements include the Group's share of the total recognised income and expense of Associates on an equity accounted basis, from the date that significant influence commenced until the date that significant influence ceases.

(iii) Transactions eliminated on consolidation

Intra-Group balances and any unrealised gains and losses or income and expenses arising from intra-Group transactions, are eliminated in preparing the Consolidated Financial Statements. Unrealised gains arising from transactions with Associates are eliminated to the extent of the Group's interest in the entity.

Foreign currency

(i) On consolidation

The assets and liabilities of foreign operations are translated into sterling at exchange rates ruling at the date of the Consolidated Statement of Financial Position (closing rate). The revenues, expenses and cash flows of foreign operations are translated into sterling at average rates of exchange ruling during the year. Where the Notes to the Consolidated Financial Statements include tables reconciling movements between opening and closing balances, opening and closing assets and liabilities are translated at closing rates and revenue, expenses and all other movements are translated at average rates, with the exchange differences arising being disclosed separately.

Exchange differences arising from the translation of the assets and liabilities of foreign operations are taken to a separate translation reserve within equity. They are recycled and recognised in the Consolidated Income Statement upon disposal of the operation. Any differences that have arisen before 1 January 2004, the date of transition to IFRS, are not presented as a separate component of equity.

(ii) Foreign currency transactions

Transactions in foreign currencies are translated to the respective currencies of the Group entities at the foreign exchange rate at the date of the transaction. Monetary assets and liabilities at the date of the Consolidated Statement of Financial Position denominated in a currency other than the functional currency of the entity are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Consolidated Income Statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates fair value was determined.

1 Accounting policies continued

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised in Consolidated Statement of Comprehensive Income and presented in the cash flow hedges reserve. The associated gain or loss is removed from equity and recognised in the Consolidated Income Statement in the period in which the transaction to which it relates occurs.

Net investment hedge accounting

The Group uses foreign currency denominated borrowings as a hedge against translation exposure on the Group's net investment in overseas companies. Where the hedge is fully effective, the variability in the net assets of such companies caused by changes in exchange rates and the changes in value of the borrowings are recognised in the Consolidated Statement of Comprehensive Income and accumulated in the net investment hedge reserve. The ineffective part is recognised in the Consolidated Income Statement.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at the fair value of consideration received, less directly attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost with any difference between cost and redemption value being recognised in the Consolidated Income Statement over the period of the borrowings on an effective interest basis.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis. The effective interest method is a method of calculating the amortised cost of the financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Property, plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost, less accumulated depreciation. Depreciation is charged to the Consolidated Income Statement on a straight-line basis at rates which write down the value of assets to their residual values over their estimated useful lives. Land is not depreciated.

The estimated useful lives are as follows:

Freehold buildings	25 – 67 years
Leasehold buildings	Over life of lease
Plant and machinery	5 – 25 years
Fixtures, fittings, tools and equipment	3 – 10 years

The estimated useful lives are reassessed annually.

Assets under construction

Assets under construction are carried at cost and are not depreciated until they are available for use. Once the asset is ready for its intended use, it is transferred to the appropriate category of property, plant and equipment and depreciated in accordance with the Group's estimated useful lives.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method of accounting. Identified assets acquired and liabilities assumed are measured at their respective acquisition date fair values. The excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired is recorded as goodwill. Acquisition-related costs are expensed as incurred. The operating results of the acquired business are reflected in the Consolidated Financial Statements from the date of acquisition.

The cost of the acquisition is measured as the cash paid and also includes the fair value of any asset or liability resulting from a contingent consideration arrangement at the acquisition date.

1 Accounting policies continued

Intangible assets

(i) Goodwill

Goodwill is the excess of the cost of an acquisition over the fair value of the identifiable net assets acquired. It is carried at cost less accumulated impairment losses, allocated to cash-generating units, and tested annually for impairment. Impairment testing compares the carrying amount with the recoverable amount, being the higher of fair value less costs to sell and value in use, based on discounted future cash flows for the relevant cash-generating unit (see Note 14).

(ii) Research and development

Expenditure on research and development is charged to the Consolidated Income Statement in the period in which it is incurred except when the development expenditure meets certain distinct criteria for capitalisation. These criteria include demonstration of the technical feasibility, intent of completing a new intangible asset that is separable, the ability to measure reliably the expenditure attributable to the intangible asset during its development phase and that the asset will generate probable future economic benefits. The expenditure capitalised includes staff costs and related expenses. Capitalised development expenditure is stated at cost less accumulated amortisation and any impairment losses.

(iii) Other intangible assets

Intangible assets other than goodwill that are acquired by the Group are stated at cost less accumulated amortisation and any impairment losses.

Where computer software is cloud based and the Group does not have control of the software, the configuration and customisation costs are expensed over either:

- The period the services are received, where costs are distinct from the underlying software
- The period of the cloud based software arrangement, where costs are not distinct from the underlying software

(iv) Amortisation

Amortisation is charged to the Consolidated Income Statement on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date they are available for use. The estimated useful lives are as follows:

Development costs	5 - 10 years
Computer software	3 - 10 years
Customer relationships	3 - 16 years
Brand names and trademarks	3 - 20 years
Manufacturing designs and core technology	2 - 16 years
Non-compete undertakings and other	1 - 5 years

The Group has reviewed the useful lives and has determined a change for development costs from 5 years to 5 – 10 years, to reflect the extended usage of capitalised Development costs around the Group. The impact on current and future periods is not material.

Inventories

Inventories are measured at the lower of cost and net realisable value. Inventory cost is calculated on both first in, first out and weighted average methodologies depending on which is deemed most appropriate. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Trade receivables and other receivables

Trade receivables are carried at original invoice amount (which is considered a reasonable proxy for fair value) and are subsequently held at amortised cost less a loss allowance. Other receivables are initially measured at fair value. The loss allowance of trade receivables is based on lifetime expected credit losses. Lifetime expected credit losses are calculated by assessing historic credit loss experience, adjusted for factors specific to the receivable and operating company. The movement in the provision is recognised in the Consolidated Income Statement.

Trade and other payables

Trade and other payables are recognised at fair value and subsequently held at amortised cost.

Provisions and contingent liabilities

A provision is recognised in the Consolidated Statement of Financial Position when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources, which can be reliably measured, will be required to settle the obligation. If the obligation is expected to be settled within 12 months of the reporting date, the provision is included within current liabilities and if expected to be settled after 12 months, it is included in non-current liabilities.

In respect of product warranties, a provision is recognised when the underlying products or services are sold. Obligations arising from restructuring plans are recognised when detailed formal plans have been established and there is a valid expectation that such a plan will be carried out. Provisions are recognised at an amount equal to the best estimate of the expenditure required to settle the Group's liability. If the likelihood of having to settle the obligation is less than probable but more than remote, or the amount of the obligation cannot be measured reliably, then a contingent liability is disclosed.

1 Accounting policies continued

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less and are held at amortised cost. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Consolidated Statement of Cash Flows.

Going concern

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 maturities of our committed debt facilities being €120m US Private Placement Notes which mature in May 2026 and €90m Bank Term Loan which 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 covenants. At 31 December 2025 leverage (net debt excluding lease liabilities divided by adjusted earnings before interest, tax, depreciation and amortisation) was 1.5x (2024: 1.6x) and interest cover (adjusted earnings before interest, tax, depreciation and amortisation divided by net bank interest) was 12x (2024: 10x).

'Reverse stress testing' was performed to assess the level of business underperformance that would be required for a breach of the covenants to occur. 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 on pages 92 to 100); and the liquidity and covenant headroom available under several alternative scenarios (as set out in the Viability Assessment on pages 41 to 43), the Directors consider it appropriate to continue to adopt the Going Concern basis in preparing the Consolidated Financial Statements.

Alternative performance measures

The Group reports under International Financial Reporting Standards (IFRS) and also uses alternative performance measures where the Board believes that they help to effectively monitor the performance of the Group and that users of the Consolidated Financial Statements might find them informative. Certain alternative performance measures also form a meaningful element of Executive Directors' variable remuneration. A definition of the alternative performance measures included in the Annual Report and a reconciliation to the closest IFRS equivalent are disclosed in the Appendix. The term 'adjusted' is not defined under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. Adjusted performance measures are not considered to be a substitute for, or superior to, IFRS measures.

Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Consolidated Income Statement as incurred.

(ii) Defined benefit plans

The costs of providing pensions under defined benefit schemes are calculated in accordance with the advice of qualified actuaries and spread over the period during which benefit is expected to be derived from the employees' services. The Group's net obligation or surplus in respect of defined benefit pensions is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. Past service costs are recognised straight away.

That benefit is discounted at rates reflecting the yields on AA credit rated corporate bonds that have maturity dates approximating the terms of the Group's obligations to determine its present value. Pension scheme assets are measured at fair value at the Consolidated Statement of Financial Position date. Actuarial gains and losses, differences between the expected and actual returns and the effect of changes in actuarial assumptions are recognised in the Consolidated Statement of Comprehensive Income in the year they arise. Any scheme surplus (to the extent it is considered recoverable under the provisions of IFRIC 14) or deficit is recognised in full in the Consolidated Statement of Financial Position.

The costs of other post-employment liabilities are calculated in a similar way to defined benefit pension schemes and are spread over the relevant period, in accordance with the advice of qualified actuaries.

(iii) Employee share plans

Incentives in the form of shares are provided to employees under share award schemes. The fair value of these awards at their date of grant is charged to the Consolidated Income Statement over the relevant vesting periods with a corresponding increase in equity. The value of the charge is adjusted to reflect share awards vesting.

(iv) Long-term share incentive plans

The fair value of awards is measured at the date of grant and the cost spread over the vesting period. The amount recognised as an expense is not adjusted to reflect market-based performance conditions, but is adjusted for non-market-based performance conditions. Awards can vest in the form of shares, a nil-cost option or, exceptionally, cash.

1 Accounting policies continued

Revenue

The Group applies the following five-step framework when recognising revenue:

Step 1: Identify the contracts with customers.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The criteria the Group uses to identify the performance obligations within a contract are:

- The customer must be able to benefit from the goods or services either on its own or in combination with other resources available to the customer
- The entity's promise to transfer the good or service to the customer is separable from other promises in the contract

The transaction price is the value that the Group expects to be entitled to from the customer and includes discounts, rebates, credits, price concessions, incentives, performance bonuses, penalties and liquidated damages, but is not reduced for bad debts. It is net of any value-added tax (VAT) and other sales-related taxes. Variable consideration that is dependent on certain events is estimated and then constrained to the extent that it is highly probable.

Revenue is recognised over time as the product is being manufactured or a service is being provided if any of the following criteria are met:

- The Group is creating a bespoke item which does not have an alternative use to the Group (i.e. we would incur a significant loss to rework and/or sell to another customer) and the entity has a right to payment for work completed to date including a reasonable profit
- The customer controls the asset that is being created or enhanced during the manufacturing process, i.e. the customer has the right to significantly modify and dictate how the product is built during construction
- As customers receive services provided by the Group, they simultaneously consume the benefit of such services

The value of revenue to be recognised over time for goods being manufactured is calculated using a cost-based input approach. This is considered a faithful depiction of the transfer of the goods as the costs incurred, total costs expected to be incurred and order value are known. Each month progress on manufacturing contracts is reviewed and a contract asset or liability recognised for any work performed to date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If an interim payment exceeds the revenue recognised to date under the cost-based input method then the Group recognises a contract liability for the difference.

The value of revenue to be recognised over time for services being provided is calculated based on the stage of completion. This is assessed by reference to the contractual performance obligations with each separate customer and the costs incurred on the contract to date in comparison to the total forecast costs of the contract. Payment for such services is not due from the customer until they are complete and therefore a contract asset is recognised over the period in which the services are performed representing the entity's right to consideration for the services performed to date.

If the criteria to recognise revenue over time are not met then revenue is recognised at a point in time when the customer obtains control of the asset and the performance obligation is satisfied. The customer obtains control of the asset when the customer can direct the use of the asset and obtain the benefits from the asset.

Factors the Group considers when determining the point in time when control of the asset has passed to the customer and revenue recognised include:

- The Group has a right to payment
- Legal title is transferred to the customer
- Physical possession of the asset has been transferred to the customer
- The customer has the significant risks and rewards of ownership
- The customer has accepted the asset

Control normally passes and revenue is recognised when the goods are either dispatched or delivered to the customer (in accordance with the terms and conditions of the sale) or the installation and testing are completed. Until this point, no revenue is recognised on point in time sales. Due to this, a contract liability may be recognised at the time of the initial sales transaction if a payment in advance, or deposit is received.

A large proportion of the Group's revenue qualifies for recognition on dispatch or delivery of the goods to the customer as this is when the performance obligation is satisfied. This is normally the trigger point for raising an invoice per the terms and conditions of the order. Therefore invoicing for a large proportion of the Group's revenue occurs at the same time as the performance obligation is satisfied. Contract assets at 31 December 2025 were £38.4m (2.3% of total revenue) (2024: £23.2m (1.4% of total revenue)).

All revenue recognised by the Group is generated through contracts with customers.

When the unavoidable costs of fulfilling the contract exceed the revenue to be recognised the contract is loss making and the expected loss is recognised in the Consolidated Income Statement immediately.

1 Accounting policies continued

Revenue continued

Warranties that give assurance that a product meets agreed-upon specifications are accounted for as a cost provision and do not impact the timing and value of revenue. The Group does not have any material warranties that promise more than just providing assurance that a product meets agreed-upon specifications.

Costs of obtaining a contract, which are only incurred because the contract was obtained, are capitalised and expensed at a later date. At 31 December 2025 no costs of obtaining a contract were capitalised. All other assets recognised to fulfil a contract are within the scope of other accounting standards and policies.

Leases

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets (assets with a value of less than £5,000). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

For new leases entered into, the lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate for the related geographical location unless the rate implicit in the lease is readily determinable. The incremental borrowing rate is calculated at the rate of interest at which the company would have been able to borrow for a similar term and with a similar security the funds necessary to obtain a similar asset in a similar market.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the Group under residual value guarantees
- The exercise price of purchase options, if the Group is reasonably certain to exercise the options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option
- The lease payments change due to changes in an index or rate or a change in expected payment under a residual guarantee value

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

Judgement is required when determining whether to include or exclude optional extension periods within the lease term and estimation is required when calculating the incremental borrowing rate used to discount the future lease cash flows. These are not considered critical judgements or a key source of estimation uncertainty.

Taxation

The tax charge includes both current and deferred taxation. Income tax expense is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In those cases, the tax is recognised within equity or other comprehensive income, respectively. Current tax is the expected tax payable on the profit for the year and any adjustments in respect of previous years using tax rates enacted or substantively enacted at the reporting date. Tax positions are reviewed to assess whether a provision should be made on prevailing circumstances. Tax provisions are included within current taxation payable. Deferred tax is provided on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax is provided using rates of tax that have been enacted or substantively enacted at the date of the Consolidated Statement of Financial Position or the date that the temporary differences are expected to reverse. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Share capital and repurchased shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares or placed in an Employee Benefit Trust and are presented as a deduction from total equity.

2 Segmental reporting

As required by IFRS 8 Operating Segments, the segmental structure reflects the current internal reporting provided to the Chief Operating Decision Maker (considered to be the Board) on a regular basis to assist in making decisions on resource allocation to each segment and to assess performance.

The Group is organised into three segments with the following core product expertise:

- Steam Thermal Solutions – Industrial and commercial steam systems
- Electric Thermal Solutions – Electrical process heating and temperature management solutions
- Watson-Marlow Fluid Technology Solutions – Peristaltic and niche pumps and associated fluid path technologies

No changes to the structure of operating segments have been made during the current year or prior year.

Analysis by operating segment 2025

	Revenue £m	Total operating profit £m	Operating margin
Steam Thermal Solutions	853.4	167.8	19.7%
Electric Thermal Solutions	441.3	40.4	9.2%
Watson-Marlow Fluid Technology Solutions	408.2	96.9	23.7%
Corporate	—	(39.7)	
Total	1,702.9	265.4	15.6%
Net financing expense		(38.3)	
Share of loss of Associate		(0.6)	
Profit before taxation		226.5	

2024

	Revenue £m	Total operating profit £m	Operating margin
Steam Thermal Solutions	867.9	198.9	22.9%
Electric Thermal Solutions	404.6	46.1	11.4%
Watson-Marlow Fluid Technology Solutions	392.7	90.3	23.0%
Corporate	—	(30.7)	
Total	1,665.2	304.6	18.3%
Net financing expense		(43.7)	
Share of loss of Associate		(2.0)	
Profit before taxation		258.9	

The following table details the split of revenue by geography for the combined Group:

	2025 £m	2024 £m
Europe, Middle East and Africa	752.6	721.3
Asia Pacific	311.5	338.2
Americas	638.8	605.7
Total revenue	1,702.9	1,665.2

Revenue generated by Group companies based in the USA is £491.0m (2024: £455.5m), in China £147.6m (2024: £160.8m), in Germany £155.5m (2024: £147.8m), in France £133.6m (2024: £130.7m), in the UK £117.1m (2024: £116.7m) and in the rest of the world £658.1m (2024: £653.7m).

2 Segmental reporting continued

Net financing income and expense

	2025 Income £m	2025 Expense £m	2025 Net £m	2024 Income £m	2024 Expense £m	2024 Net £m
Steam Thermal Solutions	2.0	(3.1)	(1.1)	3.1	(3.5)	(0.4)
Electric Thermal Solutions	1.2	(0.6)	0.6	1.1	(1.4)	(0.3)
Watson-Marlow Fluid Technology Solutions	1.1	(1.6)	(0.5)	1.6	(1.6)	—
Corporate	4.4	(41.7)	(37.3)	7.2	(50.2)	(43.0)
Total net financing expense	8.7	(47.0)	(38.3)	13.0	(56.7)	(43.7)

Net assets

	2025 Assets £m	2025 Liabilities £m	2024 Assets £m	2024 Liabilities £m
Steam Thermal Solutions	711.8	(194.3)	693.9	(190.8)
Electric Thermal Solutions	1,095.2	(70.9)	1,139.9	(84.4)
Watson-Marlow Fluid Technology Solutions	398.7	(48.5)	403.9	(38.8)
Corporate	37.4	(11.4)	28.3	(9.4)
	2,243.1	(325.1)	2,266.0	(323.4)
Liabilities		(325.1)	(323.4)	
Net deferred tax		(26.8)	(29.4)	
Assets classified as held for sale	3.1		—	
Net tax payable	(17.1)		(12.7)	
Net debt including lease liabilities	(654.9)		(691.3)	
Net assets	1,222.3		1,209.2	

Non-current assets in the USA were £634.4m (2024: £684.1m), in France £362.2m (2024: £353.2m), in the UK £286.5m (2024: £276.3m), in Germany £163.5m (2024: £151.2m) and in the rest of the world £166.9m (2024: £193.3m).

Capital additions, depreciation, amortisation and impairment

	2025 Capital additions £m	2025 Depreciation, amortisation and impairment £m	2024 Capital additions £m	2024 Depreciation, amortisation and impairment £m
Steam Thermal Solutions	42.1	36.7	37.7	33.0
Electric Thermal Solutions	19.9	39.6	48.4	37.7
Watson-Marlow Fluid Technology Solutions	13.9	24.4	18.9	31.0
Corporate	10.3	1.5	4.6	2.0
Group total	86.2	102.2	109.6	103.7

Capital additions include property, plant and equipment of £47.8m (2024: £74.3m), intangible assets of £23.3m (2024: £18.5m) and right-of-use asset additions of £15.1m (2024: £16.8m). Capital additions are split between the USA £17.0m (2024: £49.5m), UK £29.3m (2024: £22.9m) and rest of the world £39.9m (2024: £37.2m).

3 Operating costs

	2025 £m	2024 £m
Cost of inventories recognised as an expense	394.6	396.5
Staff costs (Note 4)	669.3	640.5
Depreciation, amortisation and impairment	102.2	103.7
Other operating charges	271.4	219.9
Total operating costs	1,437.5	1,360.6

Total staff costs include a credit of £3.7m (2024: £2.7m) relating to amounts capitalised during the year. Excluding this credit, total staff costs were £673.0m (2024: £643.2m).

4 Staff costs and numbers

The aggregate payroll costs of persons employed by the Group were as follows:

	2025 £m	2024 £m
Wages and salaries	554.1	528.4
Social security costs	90.2	85.1
Pension costs	28.7	29.7
Total payroll costs	673.0	643.2

The average number of persons employed by the Group (including Directors) during the year was as follows:

	2025 £m	2024 £m
Production and engineering	4,806	4,630
Sales and support services	3,023	3,125
Administrative	2,122	2,155
Group average	9,951	9,910

5 Net financing income and expense

	2025 £m	2024 £m
Financing expenses		
Bank and other borrowing interest payable	(42.1)	(51.7)
Interest expense on lease liabilities	(3.2)	(3.1)
Net interest on pension scheme liabilities	(1.7)	(1.9)
	(47.0)	(56.7)
Financing income		
Bank interest receivable	8.7	13.0
Net financing expense	(38.3)	(43.7)
Net bank interest	(33.4)	(38.7)
Interest expense on lease liabilities	(3.2)	(3.1)
Net interest on pension scheme liabilities	(1.7)	(1.9)
Net financing expense	(38.3)	(43.7)

6 Profit before taxation

Profit before taxation is shown after charging:

	2025 £m	2024 £m
Depreciation of property, plant and equipment	(37.7)	(38.9)
Depreciation of right-of-use assets	(18.7)	(17.6)
Amortisation of acquired intangibles	(34.6)	(34.1)
Amortisation of other intangibles	(8.3)	(7.4)
Non-current asset impairment	(2.9)	(5.7)
Leases exempt from IFRS 16 (short-term, low-value or variable lease payments)	(3.1)	(2.9)
Exchange difference gains	4.1	1.1
Profit on disposal of non-current assets	1.1	3.8
Research and directly expensed development costs	(8.6)	(11.3)
Auditor's remuneration	2025 £m	2024 £m
Audit of these Consolidated Financial Statements	0.7	0.7
Amounts receivable by the Company's Auditor and its Associates in respect of:		
Audit of Financial Statements of subsidiaries of the Company	2.3	2.2
Total audit fees	3.0	2.9
Audit-related assurance services	0.2	0.4
Total non-audit fees	0.2	0.4
Total Auditor's remuneration	3.2	3.3

7 Directors' emoluments

Directors represent the key management personnel of the Group under the terms of IAS 24 Related Party Disclosures. Total remuneration is shown below.

Further details of salaries and short-term benefits, post-retirement benefits, share plans and long-term share incentive plans are shown in the Annual Report on Remuneration 2025 on pages 138 to 146. The share-based payments charge comprises a charge in relation to the Performance Share Plan and the Employee Share Ownership Plan (as described in Note 22).

	2025 £m	2024 £m
Salaries and short-term benefits	3.7	2.6
Pension costs	0.1	0.1
Share-based payments	0.2	0.1
Total Directors' remuneration	4.0	2.8

8 Taxation

	2025 £m	2024 £m
Analysis of charge in the year		
UK corporation tax:		
Current tax on income for the year	7.4	7.7
Adjustments in respect of prior years	0.3	(0.3)
	7.7	7.4
Foreign tax:		
Current tax on income for the year	63.2	68.1
Adjustments in respect of prior years	(1.3)	(0.7)
	61.9	67.4
Total current tax charge	69.6	74.8
UK deferred tax:		
Origination and reversal of timing differences	(1.8)	(3.3)
Adjustment in respect of prior years	(1.3)	(0.3)
	(3.1)	(3.6)
Foreign deferred tax:		
Origination and reversal of timing differences	(1.5)	(3.2)
Adjustment in respect of prior years	(2.1)	(0.5)
	(3.6)	(3.7)
Total deferred tax credit	(6.7)	(7.3)
Tax on profit on ordinary activities	62.9	67.5

Reconciliation of effective tax rate

	2025 £m	2024 £m
Profit before taxation	226.5	258.9
Expected tax at blended rate of 26.3% (2024: 26.7%)	59.5	69.2
Increased withholding tax on overseas dividends	7.0	6.8
Non-deductible expenditure and incentives	1.9	(2.2)
Over provided in prior years	(4.4)	(1.8)
Other reconciling items	(1.1)	(4.5)
Total tax in Consolidated Income Statement	62.9	67.5
Effective tax rate	27.8%	26.1%

The expected tax at blended rate is the product of accounting profit arising in each country multiplied by the statutory tax rates in each country.

The Group's tax charge in future years will be affected by the proportion of profits arising and the effective tax rates in the various countries in which the Group operates. The rate may also be affected by the impact of any acquisitions.

The Group is subject to a tax adjustment in Argentina that seeks to offset the impact of inflation upon taxable profits. This adjustment gave a reduction in the Group's effective tax rate in the year of 90bps being £2.0m on a statutory basis (2024: 110bps being £2.8m), included within 'Other reconciling items' in the reconciliation above. Whilst the expected impact of this adjustment is included in guidance for the effective tax rate, this is difficult to accurately forecast.

The Group benefited from non-recurring investment tax incentives in the USA of £2.3m in 2024 (included in 'Non-deductible expenditure'), with no such credits received in 2025.

The Group monitors income tax developments in the territories in which it operates.

The Group is subject to Pillar Two income taxes and is required to pay top-up tax on profits in the countries where it operates which are taxed at an effective tax rate of less than 15%. This increased the Group's effective tax rate in the year by 50bps being £1.1m on a statutory basis (2024: 50 bps being £1.3m). The benefit of the Argentinian inflation adjustment gives rise to most of the Pillar Two income tax. The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

In March 2025, the Group received a refund from HM Revenue & Customs of £4.9m, the amount having previously recognised as a receivable. The amount was originally paid in 2021 following the European Commission's 2019 decision that certain aspects of the UK's Controlled Foreign Company regime constituted State Aid, a decision subsequently annulled by the European Court of Justice in September 2024.

The Group's tax charge has increased by 80bps being £1.9m on a statutory basis (2024: nil), for tax expected to be paid on the future remittance of retained earnings of overseas subsidiaries. No further tax is expected to be paid on such remittances.

9 Earnings per share

	2025	2024
Profit attributable to equity shareholders (£m)	163.4	191.2
Weighted average shares (million)	73.7	73.7
Dilution (million)	0.2	0.2
Diluted weighted average shares (million)	73.9	73.9
Basic earnings per share	221.7p	259.6p
Diluted earnings per share	221.2p	258.9p

Basic and diluted earnings per share calculated on an adjusted profit basis are included in the Appendix.

The dilution is in respect of the Performance Share Plan.

10 Dividends

	2025 £m	2024 £m
Amounts paid in the year:		
Final dividend for the year ended 31 December 2024 of 117.5p (2023: 114.0p) per share	86.6	84.0
Interim dividend for the year ended 31 December 2025 of 48.9p (2024: 47.5p) per share	35.9	35.0
Total dividends paid	122.5	119.0
Amounts arising in respect of the year:		
Interim dividend for the year ended 31 December 2025 of 48.9p (2024: 47.5p) per share	35.9	35.0
Proposed final dividend for the year ended 31 December 2025 of 121.1p (2024: 117.5p) per share	89.3	86.6
Total dividends arising	125.2	121.6

The proposed dividend is subject to approval in 2026 and is therefore not included as a liability in these Consolidated Financial Statements. No scrip alternative to the cash dividend is being offered in respect of the proposed final dividend for the year ended 31 December 2025.

11 Investment in Associate

Summarised financial information in respect of the Group's immaterial Associate is set out below.

	Associate 2025 £m	Associate 2024 £m
Cost of investment	3.9	3.3
Share of equity	(0.6)	—
Total investment in Associate	3.3	3.3

Details of the Group's Associate at 31 December 2025 and 31 December 2024 are as follows:

Name of Associate	Country of incorporation and operation	Proportion of ownership interest and voting power held	Principal activity
Sustainable Process Heat GmbH	Germany	12.0%	Manufacturing and selling

The Group's share of Sustainable Process Heat GmbH's loss is £0.6m (2024: £nil).

In the prior year, the Group's share of Kyoto Group AS loss was £2.0m. The investment was disposed of during 2024.

12 Property, plant and equipment 2025

	Freehold land and buildings £m	Leasehold land and buildings £m	Plant and machinery £m	Fixtures, fittings, tools and equipment £m	Assets under construction £m	Total £m
Cost:						
At 1 January 2025	206.5	53.3	272.3	125.1	58.9	716.1
Exchange adjustments	(2.8)	(2.3)	(0.9)	(0.6)	(2.6)	(9.2)
	203.7	51.0	271.4	124.5	56.3	706.9
Additions	11.0	0.6	10.6	8.8	16.8	47.8
Transfers	38.0	4.1	2.5	(7.9)	(36.2)	0.5
Disposals	(4.1)	(0.5)	(19.3)	(4.7)	(5.4)	(34.0)
At 31 December 2025	248.6	55.2	265.2	120.7	31.5	721.2
Depreciation:						
At 1 January 2025	44.5	14.2	151.8	67.5	5.0	283.0
Exchange adjustments	(0.3)	(0.5)	(0.3)	(0.1)	—	(1.2)
	44.2	13.7	151.5	67.4	5.0	281.8
Charged in year	5.8	2.0	18.8	11.1	—	37.7
Impairment	0.4	—	1.0	1.0	—	2.4
Transfers	4.0	1.8	(2.6)	(1.0)	—	2.2
Disposals	(0.8)	(0.3)	(18.3)	(4.3)	(5.0)	(28.7)
At 31 December 2025	53.6	17.2	150.4	74.2	—	295.4
Net book value:						
At 31 December 2025	195.0	38.0	114.8	46.5	31.5	425.8

2024

	Freehold land and buildings £m	Leasehold land and buildings £m	Plant and machinery £m	Fixtures, fittings, tools and equipment £m	Assets under construction £m	Total £m
Cost:						
At 1 January 2024	197.6	50.2	253.9	125.3	50.8	677.8
Exchange adjustments	(4.9)	(0.5)	(6.5)	(3.2)	0.5	(14.6)
	192.7	49.7	247.4	122.1	51.3	663.2
Additions	13.7	2.4	27.4	14.2	16.6	74.3
Transfers	4.5	1.5	5.2	0.5	(8.7)	3.0
Disposals	(4.4)	(0.3)	(7.7)	(11.7)	(0.3)	(24.4)
At 31 December 2024	206.5	53.3	272.3	125.1	58.9	716.1
Depreciation:						
At 1 January 2024	39.8	12.8	140.7	69.4	—	262.7
Exchange adjustments	(1.4)	(0.3)	(3.4)	(2.0)	—	(7.1)
	38.4	12.5	137.3	67.4	—	255.6
Charged in year	6.6	2.0	18.6	11.7	—	38.9
Impairment	—	—	0.7	—	5.0	5.7
Transfers	0.8	0.1	2.3	(0.3)	—	2.9
Disposals	(1.3)	(0.4)	(7.1)	(11.3)	—	(20.1)
At 31 December 2024	44.5	14.2	151.8	67.5	5.0	283.0
Net book value:						
At 31 December 2024	162.0	39.1	120.5	57.6	53.9	433.1

All impaired assets have been impaired to a recoverable amount of £nil. In 2025, the Group identified indicators of impairment regarding specific assets as a result of the Group restructuring programme. A total of £2.9m was recognised within Group operating profit in relation to this; £2.4m within property, plant and equipment and £0.5m within leased assets. In 2024 a £5.7m impairment was recognised within Watson-Marlow Fluid Technology Solutions within Group operating profit; £5.0m within assets under construction and £0.7m within plant and machinery.

Included in transfers is £26.1m in relation to ETS' Ogden manufacturing facility expansion. The remaining transfers relate to reclassifications between asset categories.

No borrowing costs were capitalised during either year.

13 Leases

Right-of-use assets 2025

	Leased land and buildings £m	Leased plant and machinery £m	Leased fixtures, fittings, tools and equipment £m	Total right-of- use assets £m
Cost:				
At 1 January 2025	123.3	27.5	1.8	152.6
Exchange adjustments	(1.8)	0.8	0.1	(0.9)
	121.5	28.3	1.9	151.7
Additions	6.8	8.1	0.2	15.1
Disposals	(3.3)	(5.3)	—	(8.6)
At 31 December 2025	125.0	31.1	2.1	158.2
Depreciation:				
At 1 January 2025	40.4	15.4	1.2	57.0
Exchange adjustments	(0.2)	0.5	0.1	0.4
	40.2	15.9	1.3	57.4
Charged in the year	12.7	5.8	0.2	18.7
Impairment	0.5	—	—	0.5
Transfers	0.1	(0.1)	—	—
Disposals	(3.2)	(5.0)	—	(8.2)
At 31 December 2025	50.3	16.6	1.5	68.4
Net book value:				
At 31 December 2025	74.7	14.5	0.6	89.8

The majority of the right-of-use asset value relates to leased property where the Group leases office and warehouse sites in a number of geographical locations. The remaining leases are largely made up of leased motor vehicles, where the Group provides cars for sales and service engineers at a number of operating company locations. The average lease term is 4.2 years (2024: 4.3 years).

13 Leases continued

Right-of-use assets continued 2024

	Leased land and buildings £m	Leased plant and machinery £m	Leased fixtures, fittings, tools and equipment £m	Total right-of- use assets £m
Cost:				
At 1 January 2024	120.1	24.4	2.6	147.1
Exchange adjustments	(2.2)	(1.2)	(0.1)	(3.5)
	117.9	23.2	2.5	143.6
Additions	9.3	7.3	0.2	16.8
Disposals	(3.9)	(3.0)	(0.9)	(7.8)
At 31 December 2024	123.3	27.5	1.8	152.6
Depreciation:				
At 1 January 2024	32.9	14.1	1.7	48.7
Exchange adjustments	(1.2)	(0.7)	0.1	(1.8)
	31.7	13.4	1.8	46.9
Charged in the year	12.7	4.6	0.3	17.6
Disposals	(4.0)	(2.6)	(0.9)	(7.5)
At 31 December 2024	40.4	15.4	1.2	57.0
Net book value:				
At 31 December 2024	82.9	12.1	0.6	95.6

The maturity analysis of lease liabilities is presented in Note 25.

Amounts recognised in Consolidated Income Statement

	2025 £m	2024 £m
Depreciation expense on right-of-use assets	18.7	17.6
Interest expense on lease liabilities	3.2	3.1
Expense relating to short-term leases	2.5	2.1
Expense relating to leases of low-value assets	0.4	0.6
Expense relating to variable lease payments not included in the measurement of the lease liability	0.2	0.2
Total impact on profit before taxation	25.0	23.6

The total cash outflow for leases during 2025 was £24.3m (2024: £22.6m).

The following cash outflows (undiscounted) are those that the Group is potentially exposed to in future periods but are currently not reflected in the measurement of lease liabilities:

- £0.4m relating to variable lease payments not based on an index or rate (2024: £0.3m)
- £29.9m relating to optional extension periods that are not reasonably certain to be exercised as at 31 December 2025 (2024: £28.9m). The 2024 comparative figure reflects an updated assessment consistent with the current year
- £1.5m relating to leases that the Group is committed to, but have not commenced as at 31 December 2025 (2024: £1.4m)

14 Goodwill and other intangible assets

2025

	Acquired intangibles £m	Development costs £m	Computer software £m	Total other intangibles £m	Goodwill £m
Cost:					
At 1 January 2025	582.8	34.7	106.9	724.4	677.3
Exchange and other adjustments	(7.3)	0.2	(1.2)	(8.3)	(6.6)
	575.5	34.9	105.7	716.1	670.7
Additions					
Transfers from property, plant and equipment	3.1	4.2	16.0	23.3	—
Disposals	—	—	1.7	1.7	—
	(2.0)	—	(2.1)	(4.1)	—
At 31 December 2025	576.6	39.1	121.3	737.0	670.7
Amortisation:					
At 1 January 2025	214.4	16.5	73.1	304.0	7.6
Exchange adjustments	(1.6)	0.1	(0.4)	(1.9)	(0.2)
	212.8	16.6	72.7	302.1	7.4
Charged in the year					
Transfers from property, plant and equipment	34.6	2.0	6.3	42.9	—
Disposals	—	—	—	—	—
	(2.0)	—	(2.1)	(4.1)	—
At 31 December 2025	245.4	18.6	76.9	340.9	7.4
Net book value:					
At 31 December 2025	331.2	20.5	44.4	396.1	663.3

2024

	Acquired intangibles £m	Development costs £m	Computer software £m	Total other intangibles £m	Goodwill £m
Cost:					
At 1 January 2024	616.4	36.5	97.8	750.7	688.2
Exchange and other adjustments	(9.5)	(0.4)	(1.1)	(11.0)	(10.9)
	606.9	36.1	96.7	739.7	677.3
Additions					
Transfers from property, plant and equipment	—	3.9	14.6	18.5	—
Disposals	—	—	0.2	0.2	—
	(24.1)	(5.3)	(4.6)	(34.0)	—
At 31 December 2024	582.8	34.7	106.9	724.4	677.3
Amortisation:					
At 1 January 2024	209.9	19.3	72.7	301.9	7.7
Exchange adjustments	(5.5)	(0.1)	(1.0)	(6.6)	(0.1)
	204.4	19.2	71.7	295.3	7.6
Charged in the year					
Transfers from property, plant and equipment	34.1	2.6	4.8	41.5	—
Disposals	—	—	0.1	0.1	—
	(24.1)	(5.3)	(3.5)	(32.9)	—
At 31 December 2024	214.4	16.5	73.1	304.0	7.6
Net book value:					
At 31 December 2024	368.4	18.2	33.8	420.4	669.7

14 Goodwill and other intangible assets continued

Acquired intangibles

The disclosure by class of acquired intangible assets is shown in the tables below.

2025

	Customer relationships £m	Brand names and trademarks £m	Manufacturing designs and core technology £m	Non-compete undertakings and other £m	Total acquired intangibles £m
Cost:					
At 1 January 2025	176.9	321.8	80.7	3.4	582.8
Exchange and other adjustments	(3.3)	(3.2)	(1.0)	0.2	(7.3)
	173.6	318.6	79.7	3.6	575.5
Additions	0.5	—	2.6	—	3.1
Disposals	(1.7)	—	—	(0.3)	(2.0)
At 31 December 2025	172.4	318.6	82.3	3.3	576.6
Amortisation:					
At 1 January 2025	72.4	97.1	42.7	2.2	214.4
Exchange adjustments	0.3	(1.9)	(0.1)	0.1	(1.6)
	72.7	95.2	42.6	2.3	212.8
Charged in the year	12.3	16.4	5.1	0.8	34.6
Disposals	(1.7)	—	—	(0.3)	(2.0)
At 31 December 2025	83.3	111.6	47.7	2.8	245.4
Net book value:					
At 31 December 2025	89.1	207.0	34.6	0.5	331.2

All acquired intangibles are amortised over their useful economic lives in line with the accounting policies disclosed in Note 1.

Within customer relationships the individually material balances are Durex Industries £59.6m (2024: £69.5m) and Thermocoax £19.5m (2024: £20.7m). The remaining amortisation periods are 11.9 years and 8.4 years respectively.

Within brand names and trademarks the individually material balances are Vulcanic £89.3m (2024: £89.8m), Durex Industries £16.1m (2024: £18.4m), Chromalox £73.7m (2024: £86.3m) and Gestra £15.0m (2024: £16.4m). The remaining amortisation periods are 16.8 years, 16.9 years, 11.5 years and 6.3 years respectively.

There are no individually material items within either manufacturing designs and core technology and non-compete undertakings.

2024

	Customer relationships £m	Brand names and trademarks £m	Manufacturing designs and core technology £m	Non-compete undertakings and other £m	Total acquired intangibles £m
Cost:					
At 1 January 2024	179.6	326.7	81.9	28.2	616.4
Exchange and other adjustments	(2.2)	(4.9)	(1.2)	(1.2)	(9.5)
	177.4	321.8	80.7	27.0	606.9
Disposals	(0.5)	—	—	(23.6)	(24.1)
At 31 December 2024	176.9	321.8	80.7	3.4	582.8
Amortisation:					
At 1 January 2024	62.8	81.7	38.9	26.5	209.9
Exchange adjustments	(2.2)	(1.2)	(0.8)	(1.3)	(5.5)
	60.6	80.5	38.1	25.2	204.4
Charged in the year	12.3	16.6	4.6	0.6	34.1
Disposals	(0.5)	—	—	(23.6)	(24.1)
At 31 December 2024	72.4	97.1	42.7	2.2	214.4
Net book value:					
At 31 December 2024	104.5	224.7	38.0	1.2	368.4

14 Goodwill and other intangible assets continued

Impairment

In accordance with the requirements of IAS 36 Impairment of Assets, goodwill is allocated to the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the business combination that gave rise to the goodwill.

Goodwill impairment is considered based on the groups of CGUs that represent the lowest level to which goodwill is monitored for internal management purposes, being each operating segment as disclosed in Note 2. The breakdown of the goodwill value at 31 December across these is shown below:

	2025 Goodwill £m	2024 Goodwill £m
Steam Thermal Solutions	124.8	119.5
Electric Thermal Solutions	478.8	491.3
Watson-Marlow Fluid Technology Solutions	59.7	58.9
Total goodwill	663.3	669.7

The goodwill balance has been tested for annual impairment on the following basis:

The carrying values of goodwill have been assessed by reference to value in use. These have been estimated using cash flows based on forecast information for the next financial year which have been approved by the Board and then extended by a further four years based on the most recent forecasts prepared by management.

The key assumptions on which the impairment tests are based are the discount rates and forecast cash flows which are driven by growth rates and EBIT margins:

- Pre-tax discount rates are based on estimations of the assumptions that market participants operating in similar sectors to the Group would make, using the Group's economic profile as a starting point and adjusting appropriately, taking into account the size of the business along with specific geographical and industry risk factors. Discount rates are not adjusted for estimated impacts of inflation, which is consistent with the calculation of the future operating cash flows to which they are applied
- Short to medium-term growth rates are based on external market growth rates (where available) and historical experience within each group of CGUs. The short to medium term is defined as not more than five years
- Long-term growth rates are set using the weighted average GDP growth rates (IMF and Oxford Economics) of the group of CGUs' end markets
- EBIT margins are based on historical performance, operational gearing from higher sales and expected improvements from operational efficiency initiatives

The principal value in use assumptions were as follows:

Operating segment	2025 Discount rate	2025 Short to medium-term growth rate	2025 Long-term growth rate	Period of annual cash flow forecast (years)	2024			Period of annual cash flow forecast (years)
					Discount rate	Short to medium-term growth rate	2024 Long-term growth rate	
Steam Thermal Solutions	13.4%	3.0% – 5.0%	3.7%	5	13.7%	3.5% – 4.7%	3.8%	5
Electric Thermal Solutions	12.0%	7.5% – 9.5%	3.2%	5	11.7%	7.7% – 10.1%	3.2%	5
Watson-Marlow Fluid Technology Solutions	12.4%	9.2% – 10.8%	3.4%	5	12.4%	8.0% – 9.0%	3.4%	5

The results of the Group's impairment tests are dependent upon estimates, particularly in relation to the key assumptions described above. Sensitivity analysis of potential changes in the key assumptions has been undertaken based on the following reasonably possible change sensitivities in isolation for Steam Thermal Solutions and Watson-Marlow Fluid Technology Solutions:

- A 50bps increase in the discount rate
- A 100bps reduction in the short to medium-term growth rates
- A 100bps reduction in the EBIT margin used in the cash flow projections

14 Goodwill and other intangible assets continued

Impairment continued

For Electric Thermal Solutions, the following combination of sensitivities was applied:

- A 50bps increase in the discount rate
- Average reduction of 60bps per year in the short to medium-term revenue growth rates driven by reduced demand within the Data Centre sector, alongside slower recovery of demand within the semiconductor sector, and an adverse change in global macroeconomic conditions
- A range of 90bps to 210bps reduction in the EBIT margin used in the cash flow projections, resulting from the short to medium-term growth rate sensitivities

For each group of CGUs, the Directors do not consider that there are any reasonably possible combination of changes in sensitivities for the business that could arise in the next 12 months that would result in an impairment charge being recognised.

15 Deferred tax assets and liabilities

Movement in deferred tax during the year 2025

	1 January 2025 £m	Recognised in income £m	Recognised in OCI £m	Recognised in equity £m	31 December 2025 £m
Accelerated capital allowances	(23.3)	(1.8)	—	0.5	(24.6)
Provisions	9.3	1.1	—	(0.1)	10.3
Losses	30.8	4.0	—	—	34.8
Inventory	7.5	0.9	—	(0.1)	8.3
Pensions	11.0	1.9	(2.3)	(3.2)	7.4
Acquired intangibles	(77.9)	2.1	—	3.2	(72.6)
Leases – right-of-use assets	(19.8)	(0.3)	—	—	(20.1)
Leases – liabilities	20.5	1.0	—	(0.4)	21.1
Other temporary differences	12.5	(2.2)	(0.9)	(0.8)	8.6
Net deferred tax	(29.4)	6.7	(3.2)	(0.9)	(26.8)

Movement in deferred tax during the year 2024

	1 January 2024 £m	Recognised in income £m	Recognised in OCI £m	Recognised in equity £m	31 December 2024 £m
Accelerated capital allowances	(21.0)	(2.3)	—	—	(23.3)
Provisions	10.4	(0.5)	—	(0.6)	9.3
Losses	27.5	3.3	—	—	30.8
Inventory	6.3	1.2	—	—	7.5
Pensions	13.3	(1.2)	(1.1)	—	11.0
Acquired intangibles	(80.3)	0.9	—	1.5	(77.9)
Leases – right-of-use assets	(21.1)	1.1	—	0.2	(19.8)
Leases – liabilities	21.6	(0.9)	—	(0.2)	20.5
Other temporary differences	6.1	5.7	0.7	—	12.5
Net deferred tax	(37.2)	7.3	(0.4)	0.9	(29.4)

Deferred tax assets and liabilities arising in the same tax jurisdiction have been offset where the taxable entity has a legally enforceable right to set off current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same taxation authority. Below is the analysis of the deferred tax balances after the offset.

	2025 £m	2024 £m
Deferred tax asset	32.8	34.2
Deferred tax liability	(59.6)	(63.6)
Net deferred tax liability	(26.8)	(29.4)

15 Deferred tax assets and liabilities continued

Movement in deferred tax during the year 2024 continued

At 31 December 2025, the Group has deductible temporary differences, unused taxable losses and unused tax credits with a tax value of £106.7m (2024: £104.7m) available for offset against future profits, of which a deferred tax asset has been recognised in respect of £100.8m (2024: £97.4m). The prior year comparators has been updated to align to current year methodology.

No deferred tax asset has been recognised in respect of the remaining £5.9m (2024: £7.3m) as it is not considered probable that there will be future taxable profits available against which the relevant deduction can be offset. Excluding the losses in Argentina and India, which expire if unused within five years and eight years respectively, the losses may be carried forward indefinitely. The associated unrecognised deferred tax assets in Argentina and India is £1.9m (2024: £3.1m).

A deferred tax debit of £2.3m (2024: £1.1m debit) is recognised in the Consolidated Statement of Comprehensive Income (page 169) associated with the measurement of defined benefit pension obligations.

UK tax is not expected to arise upon the remittance of earnings of overseas subsidiaries. However, a tax liability may arise due to dividend withholding taxes levied by overseas tax authorities. The Group controls the timing of these dividends. The total potential tax liability is not expected to exceed £8.2m (2024: £8.4m), and whilst this liability is not expected to arise in full in the foreseeable future, £1.9m (2024: nil) has been recognised at 31 December 2025.

16 Inventories

	2025 £m	2024 £m
Raw materials, consumables and components	119.8	118.6
Work in progress	29.9	27.7
Finished goods and goods for resale	102.7	106.9
Total inventories	252.4	253.2

The write-down of inventories recognised as an expense during the year was £5.5m (2024: £6.6m). This comprises a cost of £9.6m (2024: £7.5m) to write down inventory to net realisable value reduced by £4.1m (2024: £0.9m) for reversal of previous write-down reassessed as a result of customer demand.

The value of inventories expected to be recovered after more than 12 months is £13.2m (2024: £14.8m).

There is no material difference between the Consolidated Statement of Financial Position value of inventories and their replacement cost. None of the inventory has been pledged as security.

17 Other current assets

	2025 £m	2024 £m
Contract assets	38.4	23.2
Prepayments	27.2	31.9
Other tax related receivables	10.6	12.2
Other deposits made	3.7	3.7
Derivative assets	2.9	—
Other receivables	4.0	4.1
Total other current assets	86.8	75.1

Contract assets relate to revenue recognised that has not yet been invoiced to the customer.

18 Trade and other payables

	2025 £m	2024 £m
Trade payables	91.9	86.0
Contract liabilities	24.1	39.0
Social security	13.0	9.9
Accruals	118.7	98.9
Other tax related payables	13.6	13.9
Pension creditors	3.2	3.4
Fair value of deferred consideration	0.7	7.3
Other payables	2.9	3.3
Derivative liabilities	0.8	1.3
Total trade and other payables	268.9	263.0

Contract liabilities relate to advance payments received from customers that have not yet been recognised as revenue. £22.4m of the contract liabilities at 31 December 2024 were recognised as revenue during 2025 (2024: £19.0m).

19 Provisions

	Product warranty £m	Legal, contractual and other £m	Total £m
2025			
At 1 January 2025	1.4	10.3	11.7
Additional provision in the year	0.7	10.8	11.5
Utilised or released during the year	(0.8)	(1.7)	(2.5)
Exchange adjustments	—	0.4	0.4
At 31 December 2025	1.3	19.8	21.1

	Product warranty £m	Legal, contractual and other £m	Total £m
2024			
At 1 January 2024	2.0	15.1	17.1
Additional provision in the year	0.6	4.8	5.4
Utilised or released during the year	(0.9)	(7.5)	(8.4)
Exchange adjustments	(0.3)	(2.1)	(2.4)
At 31 December 2024	1.4	10.3	11.7

	2025 £m	2024 £m
Current provisions	12.9	5.4
Non-current provisions	8.2	6.3
Total provisions	21.1	11.7

Product warranty

Product warranty provisions reflect commitments made to customers on the sale of goods in the ordinary course of business. These are expected to be incurred in the next three years.

Legal, contractual and other

Legal, contractual and other provisions comprise amounts provided against open legal and contractual disputes, environmental provisions as well as provisions in relation to the Group restructuring programme. Provision values are based on past experience of similar items and other known factors and represent management's best estimate of the likely outcome.

Reflecting the inherent uncertainty within many provisions, the timing and amount of the outflows could differ from the amount provided. Of the total legal, contractual and other provisions at 31 December 2025 £11.9m (2024: £4.3m) has been included within current and £7.9m (2024: £6.0m) within non-current provisions.

20 Called-up share capital and reserves

	2025 £m	2024 £m
Ordinary shares of 26 12/13p (2024: 26 12/13p) each:		
Allotted, called up and fully paid 73,776,048 (2024: 73,776,048)	19.9	19.8

21,871 (2024: 49,244) shares with a nominal value of £5,888 (2024: £13,258) were issued in connection with the Group's Employee Share Ownership Plan with external consideration of £nil (2024: £1.9m) received by the Group. During the year, 6,115 shares were repatriated and immediately sold with external consideration of £0.3m (2024: £nil) received by the Group.

At 31 December 2025, 30,167 shares (2024: 72,250) were held in an Employee Benefit Trust and available for use in connection with the Group's Employee Share Schemes. 116 senior employees of the Group have been granted options on Ordinary shares under the Performance Share Plan (details in Note 22).

20 Called-up share capital and reserves continued**Translation reserve**

	1 January 2025 £m	Change in year £m	31 December 2025 £m
Net investment hedge reserve	10.3	(5.3)	5.0
Translation reserve	(96.4)	(35.3)	(131.7)
Total translation reserve	(86.1)	(40.6)	(126.7)

	1 January 2024 £m	Change in year £m	31 December 2024 £m
Net investment hedge reserve	5.6	4.7	10.3
Translation reserve	(66.0)	(30.4)	(96.4)
Total translation reserve	(60.4)	(25.7)	(86.1)

The net investment hedge reserve records the cumulative gain or loss on hedging instruments designated as net investment hedges. Together with the translation reserve, these are the foreign currency translation reserves of the Group.

Other reserves

	1 January 2025 £m	Change in year £m	31 December 2025 £m
Cash flow hedges reserve	(1.0)	2.5	1.5
Capital redemption reserve	1.8	—	1.8
Employee Benefit Trust reserve	(8.3)	4.8	(3.5)
Total other reserves	(7.5)	7.3	(0.2)

	1 January 2024 £m	Change in year £m	31 December 2024 £m
Cash flow hedges reserve	1.3	(2.3)	(1.0)
Capital redemption reserve	1.8	—	1.8
Employee Benefit Trust reserve	(16.0)	7.7	(8.3)
Total other reserves	(12.9)	5.4	(7.5)

The cash flow hedges reserve records the cumulative net change in the fair value of forward exchange contracts where they are designated as effective cash flow hedge relationships.

The capital redemption reserve records the historical repurchase of the Group's own shares.

The Employee Benefit Trust reserve record the shares held in the Group's Employee Benefit Trust. This is used to purchase, hold and issue shares in connection with the Group's Employee Share Schemes.

21 Capital commitments and contingent liabilities

	2025 £m	2024 £m
Capital expenditure contracted for but not provided	2.0	13.7

All capital commitments are related to property, plant and equipment and computer software. The Group has no material contingent liabilities at 31 December 2025 (no material contingent liabilities existed at 31 December 2024).

22 Employee benefits

Retirement benefit obligations

The Group operates a wide range of retirement benefit arrangements, which are established in accordance with local conditions and practices within the countries concerned. These include funded defined contribution and both funded and unfunded defined benefit schemes.

Defined contribution arrangements

The majority of the retirement benefit arrangements operated by the Group are defined contribution schemes, where the employer contribution and resulting Consolidated Income Statement charge are fixed at a set level or are a set percentage of employees' pay. Contributions made to defined contribution schemes and charged to the Consolidated Income Statement totalled £27.0m (2024: £27.2m).

Defined benefit arrangements

The Group operates several funded defined benefit retirement schemes where the benefits are based on employees' length of service. Whilst the Group's primary schemes are in the UK, it also operates other material benefit schemes in the USA as well as less material schemes elsewhere. In funded arrangements, the assets of defined benefit schemes are held in separate trustee-administered funds or similar structures in the countries concerned.

UK defined benefit arrangements

The defined benefit schemes in the UK account for 52% (2024: 61%) of the Group's net liability for defined benefit retirement schemes. Spirax Group operates three UK schemes: the Spirax-Sarco Employees' Pension Fund, the Spirax-Sarco Executives' Retirement Benefits Scheme and the WMFTS Pension Fund. These are all closed to new members and future accrual.

All three schemes are established under UK law and governed by a Trustee Committee, which is responsible for overseeing the schemes' investments, administration, and overall management. A funding valuation is carried out for the Trustees of each scheme every three years by an independent firm of actuaries. Depending on the outcome of that valuation a schedule of future contributions is negotiated with Spirax Group.

US defined benefit schemes

The Group operates one defined benefit scheme in the USA, which is closed both to new entrants and future accrual. The US pension scheme defines the pension in terms of the highest average pensionable pay for any five consecutive years prior to retirement. No pension increases (in payment and deferment) are offered by this scheme.

Other matters

In June 2023, the High Court judged that amendments made to the Virgin Media scheme were invalid because the scheme's actuary did not provide the necessary associated Section 37 certificate. The Court of Appeal upheld the 2023 High Court ruling in July 2024. In the prior year, an investigation was undertaken by the Group and Trustees of the Schemes to review the amendments and minutes during the relevant period. From this review, the Group are satisfied that this ruling would not have any impact on the Defined Benefit Obligation of the Schemes.

Principal Risks

The pension schemes create a number of risk exposures. Annual increases in benefits are, to a varying extent from scheme to scheme, dependent on inflation so the main uncertainties affecting the level of benefits payable are future inflation levels and the actual longevity of the membership. Benefits payable will also be influenced by a range of other factors including member decisions on matters such as when to retire and the possibility to draw benefits in different forms. A key risk is that additional contributions are required if the investment returns fall short of those anticipated when setting the contributions to the pension schemes.

All pension schemes are regulated by the relevant jurisdictions. These include extensive legislation and regulatory mechanisms that are subject to change and may impact on the Group's pension schemes.

The IAS 19 liability measurement known as defined benefit obligation (DBO) and the service cost are sensitive to the actuarial assumptions made on a range of demographic and financial matters that are used to project the expected benefit payments, the most important of these assumptions being the future inflation levels and the assumptions made about life expectation. The DBO and service cost are also very sensitive to the IAS 19 discount rate, which determines the discounted value of the projected benefit payments. The discount rate depends on market yields on high-quality corporate bonds. Investment strategies are set with funding rather than IAS 19 considerations in mind and do not seek to provide a specific hedge against the IAS 19 measurement of DBO. As a result the difference between the market value of the assets and the IAS 19 DBO may be volatile.

Sensitivity analysis to changes in discount rate and inflation are included on page 199.

22 Employee benefits continued

Principal Risks continued

The financial assumptions used at 31 December were:

	Assumptions weighted by value of liabilities % per annum			
	UK pensions		Overseas pensions and medical	
	2025 %	2024 %	2025 %	2024 %
Rate of increase in salaries	n/a	n/a	2.5	2.6
Rate of increase in pensions	2.8	3.0	2.0	2.0
Rate of price inflation	2.8	3.2	2.0	2.0
Discount rate	5.5	5.4	4.6	4.8
Medical trend rate	n/a	n/a	7.5	7.5

The UK pensions are closed to future accrual; therefore, the rate of increase in salaries is not applicable.

The weighted average duration of the defined benefit obligation at 31 December 2025 was approximately 13 years (2024: 13 years) for the Spirax-Sarco Employees' Pension Fund, 8 years (2024: 8 years) for the Spirax-Sarco Executives' Retirement Benefits Scheme and 13 years (2024: 13 years) for the WMFTS Pension Fund.

The mortality assumptions for the material defined benefit schemes at 31 December 2025 and 31 December 2024 were:

Spirax-Sarco Employees' Pension Fund	At 31 December 2025: 100% of the SAPS 3 normal tables, CMI 2024 future improvements, 1% long-term trend, smoothing factor of 7 and half-life parameter of 0.5. At 31 December 2024: 100% of the SAPS 3 normal tables, CMI 2023 future improvements, 1% long-term trend, smoothing factor of 7 and weights parameter of 100%.
Spirax-Sarco Executives' Retirement Benefits Scheme	At 31 December 2025: 84%/87% (male/female) of SAPS 3 light normal, CMI 2024 future improvements, 1% long-term trend, smoothing factor of 7 and half-life parameter of 0.5. At 31 December 2024: 84%/87% (male/female) of SAPS 3 light normal, CMI 2023 future improvements, 1% long-term trend, smoothing factor of 7 and weights parameter of 100%.
WMFTS Pension Fund	At 31 December 2025: 102% of the SAPS 3 pensioner tables, CMI 2024 future improvements, 1% long-term trend, smoothing factor of 7 and half-life parameter of 0.5. At 31 December 2024: 102% of the SAPS 3 pensioner tables, CMI 2023 future improvements, 1% long-term trend, smoothing factor of 7 and weights parameter of 100%.
US Pension Scheme	At 31 December 2025: SOA Pri-2012 Amount-Weighted Blue Collar Mortality Tables with MP2021 – Retiree/Disabled/Contingent Survivor tables. At 31 December 2024: SOA Pri-2012 Amount-Weighted Blue Collar Mortality Tables with MP2021 – Retiree/Disabled/Contingent Survivor tables.

By way of example the mortality tables indicate the following life expectancy across the UK schemes:

Current age	2025 life expectancy at 65		2024 life expectancy at 65	
	Male	Female	Male	Female
65	21.2	23.8	21.0	23.8
50	21.7	24.6	21.7	24.5

All the assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

22 Employee benefits continued

Net pension liability

The amounts recognised in the Consolidated Statement of Financial Position are as follows:

	UK pensions		Overseas pensions and medical		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Fair value of schemes' assets	256.6	254.8	53.0	55.2	309.6	310.0
Present value of funded schemes' liabilities	(272.3)	(280.9)	(51.5)	(54.4)	(323.8)	(335.3)
(Deficit)/Surplus in the funded schemes	(15.7)	(26.1)	1.5	0.8	(14.2)	(25.3)
Present value of unfunded schemes' liabilities	—	—	(15.8)	(17.2)	(15.8)	(17.2)
Retirement benefit liability recognised in the Consolidated Statement of Financial Position	(15.7)	(26.1)	(14.3)	(16.4)	(30.0)	(42.5)
Related deferred tax asset	3.9	6.5	3.5	4.5	7.4	11.0
Net pension liability	(11.8)	(19.6)	(10.8)	(11.9)	(22.6)	(31.5)

Fair value of scheme assets

	UK pensions		Overseas pensions and medical		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Quoted equities	57.3	53.9	5.5	7.7	62.8	61.6
Quoted bonds	89.7	77.8	31.8	39.6	121.5	117.4
Other	65.8	69.4	9.7	0.8	75.5	70.2
Total with quoted market price	212.8	201.1	47.0	48.1	259.8	249.2
Cash and cash equivalents	20.0	26.3	1.2	1.2	21.2	27.5
Unquoted equities	—	1.3	—	—	—	1.3
Unquoted bonds	—	0.3	—	—	—	0.3
Real estate	11.7	12.6	—	—	11.7	12.6
Derivatives	—	—	—	—	—	—
Other	12.1	13.2	4.8	5.9	16.9	19.1
Total other securities	43.8	53.7	6.0	7.1	49.8	60.8
Total market value in aggregate	256.6	254.8	53.0	55.2	309.6	310.0

The actual return on plan assets was an increase of £16.8m (2024: a decrease of £12.2m).

The UK pensions assets include investments in Liability Driven Investment (LDI) funds. LDI funds allow the schemes to hedge a larger proportion of the underlying interest rate exposure that exists within the schemes liabilities. As a result of the structure of LDI funds the schemes may be required to provide additional cash collateral to the LDI funds in order to maintain the current level of hedging should market interest rates increase materially. The LDI funds of £59.1m (2024: £57.4m) are included within the quoted bonds in the table above.

The movements in the fair value of plan assets during the year were:

	UK pensions		Overseas pensions and medical		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Value of assets at beginning of year	254.8	285.8	55.2	51.7	310.0	337.5
Expected return on assets	13.4	12.6	2.7	2.4	16.1	15.0
Remeasurement (loss)/gain	(0.3)	(30.6)	1.0	3.4	0.7	(27.2)
Contributions paid by employer	6.2	6.8	2.4	2.1	8.6	8.9
Actual benefit payments	(16.4)	(17.7)	(4.9)	(4.8)	(21.3)	(22.5)
Administration costs	(1.1)	(2.1)	—	—	(1.1)	(2.1)
Currency (loss)/gain	—	—	(3.4)	0.4	(3.4)	0.4
Value of assets at end of year	256.6	254.8	53.0	55.2	309.6	310.0

The estimated employer contributions to be made in 2026 are £7.3m.

22 Employee benefits continued

Defined benefit obligation

The movements in the total defined benefit obligation during the year were:

	UK pensions		Overseas pensions and medical		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Defined benefit obligation at beginning of year	(280.9)	(313.6)	(71.6)	(75.3)	(352.5)	(388.9)
Current service cost	—	—	(0.1)	(0.1)	(0.1)	(0.1)
Past service credit	—	—	—	0.2	—	0.2
Interest cost	(14.7)	(13.7)	(3.1)	(3.2)	(17.8)	(16.9)
Administration costs	—	—	(0.3)	(0.5)	(0.3)	(0.5)
Remeasurement gain	9.8	28.1	0.3	4.0	10.1	32.1
Actual benefit payments	16.4	17.7	4.9	4.8	21.3	22.5
Experience (loss)/gain	(2.9)	0.6	(0.3)	(1.9)	(3.2)	(1.3)
Currency gain	—	—	2.9	0.4	2.9	0.4
Total defined benefit obligation at end of year	(272.3)	(280.9)	(67.3)	(71.6)	(339.6)	(352.5)

The history of experience adjustments is as follows:

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Defined benefit obligation at end of year	(339.6)	(352.5)	(388.9)	(393.7)	(605.4)
Fair value of schemes' assets	309.6	310.0	337.5	341.6	560.7
Retirement benefit liability recognised in the Consolidated Statement of Financial Position	(30.0)	(42.5)	(51.4)	(52.1)	(44.7)
Experience adjustment on schemes' liabilities	(3.2)	(1.3)	(10.0)	(16.0)	(2.9)
As a percentage of schemes' liabilities	0.9%	0.4%	2.6%	4.1%	0.5%
Experience adjustment on schemes' assets	0.7	(27.2)	5.0	(222.4)	35.7
As a percentage of schemes' assets	0.3%	8.8%	1.5%	65.1%	6.4%

The expense recognised in the Consolidated Income Statement was as follows:

	UK pensions		Overseas pensions and medical		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Current service cost	—	—	(0.1)	(0.1)	(0.1)	(0.1)
Administration costs	(1.1)	(2.1)	(0.3)	(0.5)	(1.4)	(2.6)
Past service credit	—	—	—	0.2	—	0.2
Net interest on schemes' liabilities	(1.3)	(1.1)	(0.4)	(0.8)	(1.7)	(1.9)
Total expense recognised in Consolidated Income Statement	(2.4)	(3.2)	(0.8)	(1.2)	(3.2)	(4.4)

The expense is recognised in the following line items in the Consolidated Income Statement:

	2025 £m	2024 £m
Operating costs	(1.5)	(2.5)
Net financing expense	(1.7)	(1.9)
Total expense recognised in Consolidated Income Statement	(3.2)	(4.4)

22 Employee benefits continued

Defined benefit obligation continued

The gain or loss recognised in the Consolidated Statement of Comprehensive Income (OCI) was as follows:

	UK pensions		Overseas pensions and medical		Total	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Remeasurement effects recognised in OCI:						
Due to experience on DBO	(2.9)	0.6	(0.3)	(1.9)	(3.2)	(1.3)
Due to demographic assumption changes in DBO	0.6	(0.3)	—	—	0.6	(0.3)
Due to financial assumption changes in DBO	9.2	28.4	0.3	4.0	9.5	32.4
Return on assets	(0.3)	(30.6)	1.0	3.4	0.7	(27.2)
Total remeasurement gain/(loss) recognised in OCI	6.6	(1.9)	1.0	5.5	7.6	3.6
Deferred tax on remeasurement (loss)/gain and change in rate recognised in OCI	(1.7)	0.5	(0.6)	(1.6)	(2.3)	(1.1)
Cumulative loss recognised in OCI at beginning of year	(60.5)	(59.1)	(6.9)	(10.8)	(67.4)	(69.9)
Cumulative loss recognised in OCI at end of year	(55.6)	(60.5)	(6.5)	(6.9)	(62.1)	(67.4)

Sensitivity analysis

The effect on the defined benefit obligation at 31 December 2025 of an increase or decrease in key assumptions is as follows:

	UK pensions £m	Overseas pensions and medical £m	Total £m
(Decrease)/increase in pension deficit:			
Discount rate assumption being 1.0% higher	(29.9)	(6.0)	(35.9)
Discount rate assumption being 1.0% lower	33.9	7.2	41.1
Inflation assumption being 1.0% higher	22.2	1.2	23.4
Inflation assumption being 1.0% lower	(20.7)	(1.0)	(21.7)
Mortality assumption life expectancy at age 65 being one year higher	8.7	2.2	10.9

The above sensitivities reflect reasonable possible changes in the assumptions and therefore have been selected on this basis.

The average age of deferred participants in the UK schemes at 31 December 2025 was 55 years (2024: 55 years).

Additional contributions to pension schemes

	2025 £m	2024 £m
Defined benefit arrangements	(1.5)	(2.5)
Defined contribution arrangements	(27.2)	(27.2)
Total expense recognised in operating costs	(28.7)	(29.7)
Defined benefit arrangements	8.6	8.9
Defined contribution arrangements	27.2	27.2
Total contributions paid by employer	35.8	36.1
Additional contributions to pension schemes	7.1	6.4

Share-based payments

Disclosures of the share-based payments offered to employees are set out below. More detail on each scheme is given in the Annual Report on Remuneration 2025 on pages 138 to 146. The charge to the Consolidated Income Statement in respect of share-based payments is made up as follows:

	2025 £m	2024 £m
Performance Share Plan	4.8	1.3
Employee Share Ownership Plan	1.6	1.8
Total expense	6.4	3.1

22 Employee benefits continued

Performance Share Plan

Awards under the Performance Share Plan are made to Executive Directors and other senior managers and take the form of contingent rights to acquire shares, subject to the satisfaction of a performance target. To the extent that they vest, awards are satisfied in shares or in an option over shares. The performance criteria is split into three separate parts.

30% of the award is based on a TSR measure where the performance target is based on Spirax Group plc's (the Company) total shareholder return (TSR) relative to the TSR of other companies included in the FTSE 100, excluding companies in the Mining, Oil & Gas and Financial Services sectors over a three-year performance period where awards will vest on a sliding scale. All shares within an award will vest if the Company's TSR is at or above the upper quartile. 18% will vest if the TSR is at the median and the number of shares that will vest will be calculated pro-rata on a straight-line basis between 18% and 100% if the Company's TSR falls between the median and the upper quartile. No shares will vest if the Company's TSR is below the median.

The second part, amounting to 50% of the award, is subject to achievement of a target based on aggregate adjusted EPS over a three-year performance period. 18% will vest if the compound growth in adjusted EPS is equal to the growth in global industrial production (IP) plus 2% (1.25x for the 2025 grant) as published by CHR Economics and 100% will vest if the compound growth in adjusted EPS is equal to or exceeds the growth in global IP plus 7% (3.5x for the 2025 grant); there is pro-rata vesting for actual growth between these rates.

The final 20% of the award compares greenhouse gas (GHG) intensity emission in the base year of the three-year performance period to the final year. Performance will be measured relative to £m of sales at base year prices to ensure that efficiency savings are not distorted by inflation. GHG emission targets decrease annually and vary for each grant to align with the Group's **One Planet** Sustainability Strategy. Achievement of the GHG emission threshold reduction results in 18% vesting, rising to a maximum payout of 100% for full performance.

Shares awarded under the Performance Share Plan have been valued using the Monte Carlo simulation valuation methodology. The relevant disclosures in respect of the Performance Share Plan grants are set out below.

	2021 Grant	2022 Grant	2023 Grant	2024 Grant	2025 Grant
Grant date	4 May	14 March	13 March	21 March	25 March
Mid-market share price at grant date	11,770.0p	11,910.0p	10,880p	10,377p	6,738p
Number of employees	106	108	138	124	116
Shares under scheme	89,806	92,951	145,505	142,275	207,913
Vesting period	3 years	3 years	3 years	3 years	3 years
Probability of vesting	73.9%	76.1%	81.2%	79.7%	77.8%
Fair value	8,698.0p	9,057.6p	8,829.1p	8,273.6p	5,240.1p

Employee Share Ownership Plan

UK employees are eligible to participate in the Employee Share Ownership Plan (ESOP). The aim of the ESOP is to encourage increased shareholding in the Group by all UK employees and so there are no performance conditions. Employees are invited to join the ESOP when an offer is made each year. Individuals save for 12 months during the accumulation period under HMRC rules. The Group provides a matching share for each share purchased by the individual.

Shares issued under the ESOP have been measured using the Present Economic Value (PEV) valuation methodology. The relevant disclosures in respect of the Employee Share Ownership Plans are set out below.

	2021 Grant	2022 Grant	2023 Grant	2024 Grant	2025 Grant
Grant date	1 October	1 October	1 October	1 October	1 October
Exercise price	15,043.3p	10,348.3p	9,413.0p	6,855.0p	7,705.0p
Number of employees	1,400	1,671	1,644	1,539	1,642
Shares under scheme	9,429	16,832	19,256	23,863	21,695
Vesting period	3 years	3 years	3 years	3 years	3 years
Expected volatility	26.5%	28.7%	26.5%	N/A	N/A
Risk-free interest rate	0.2%	4.0%	4.9%	N/A	N/A
Expected dividend yield	1.0%	1.0%	1.2%	N/A	N/A
Fair value	16,382.2p	11,579.7p	10,486.4p	6,855.0p	7,705.0p

The accumulation period for the 2025 ESOP ends in September 2026; therefore, some figures are projections.

23 Analysis of changes in net debt, including changes in liabilities arising from financing activities 2025

	1 January 2025 £m	Cash flow £m	Acquired debt* £m	Exchange movement £m	31 December 2025 £m
Current portion of long-term borrowings	(123.9)				(107.2)
Non-current portion of long-term borrowings	(706.2)				(697.2)
Total borrowings	(830.1)				(804.4)
Lease liabilities	(95.1)	18.0	(14.8)	1.7	(90.2)
Borrowings	(830.1)	37.5	—	(11.8)	(804.4)
Changes in liabilities arising from financing	(925.2)	55.5	(14.8)	(10.1)	(894.6)
Cash at bank	334.2	34.4	—	0.4	369.0
Bank overdrafts	(100.3)	(28.1)	—	(0.9)	(129.3)
Net cash and cash equivalents	233.9	6.3	—	(0.5)	239.7
Net debt including lease liabilities	(691.3)	61.8	(14.8)	(10.6)	(654.9)
Net debt	(596.2)	43.8	—	(12.3)	(564.7)

* Debt acquired includes both debt acquired due to acquisition and debt recognised due to entry into new leases and disposals of existing leases.

The net cash flow from borrowings of £37.5m (2024: £26.2m) consists of £nil (2024: £76.8m) of new borrowings and £37.5m (2024: £103.0m) of repaid borrowings.

During the year £42.1m of interest on external borrowings (2024: £51.7m) was incurred and paid.

At 31 December 2025 total lease liabilities consist of £17.1m (2024: £17.2m) short term and £73.1m (2024: £77.9m) long term.

See Note 25 for further information on net debt and lease liabilities.

2024

	1 January 2024 £m	Cash flow £m	Acquired debt* £m	Exchange movement £m	31 December 2024 £m
Current portion of long-term borrowings	(3.6)				(123.9)
Non-current portion of long-term borrowings	(875.9)				(706.2)
Total borrowings	(879.5)				(830.1)
Lease liabilities	(96.7)	16.6	(16.5)	1.5	(95.1)
Borrowings	(879.5)	26.2	—	23.2	(830.1)
Changes in liabilities arising from financing	(976.2)	42.8	(16.5)	24.7	(925.2)
Cash at bank	359.7	(11.6)	—	(13.9)	334.2
Bank overdrafts	(146.9)	44.1	—	2.5	(100.3)
Net cash and cash equivalents	212.8	32.5	—	(11.4)	233.9
Net debt including lease liabilities	(763.4)	75.3	(16.5)	13.3	(691.3)
Net debt	(666.7)	58.7	—	11.8	(596.2)

* Debt acquired includes both debt acquired due to acquisition and debt recognised due to entry into new leases and disposals of existing leases.

24 Related party transactions

Transactions with Directors are disclosed separately in Note 7 and are shown in the Annual Report on Remuneration 2025 on pages 138 to 146.

There were no other related party transactions in either 2025 or 2024.

25 Derivatives and other financial instruments

The Group does not enter into significant derivative transactions. The Group's principal financial instruments comprise borrowings, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. It is and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are credit risk, interest rate risk, liquidity risk and foreign currency risk. The Board reviews and agrees policies for managing each of these risks and these are summarised below.

25 Derivatives and other financial instruments continued

Credit risk

The Group sells products and services to customers around the world and therefore credit risk is primarily attributable to trade receivables and contract assets. The Group's customer base is extremely varied in size, industry sector and geographical location and therefore the Group is not exposed to material concentrations of credit risk on its trade receivables. The Group operates credit control policies to assess customers' credit ratings and provides for any debt that is identified as non-collectable.

Interest rate risk

The Group's policy is to hold a mixture of fixed and floating rate debt. When new debt facilities are entered into, the Group assesses if this should be fixed or floating depending on the specific circumstances at the time. In addition the Group aims to achieve a spread of maturity dates in order to avoid the concentration of funding requirements at any one time. The ratio of fixed to floating rate debt and debt maturity profile is kept under review by the Group Chief Financial Officer in conjunction with the Board.

Liquidity risk

The Group faces liquidity risk on its financial liabilities when they become due for settlement. This is managed through the Group's robust cash flow position, where the Group's objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans, facilities and leases as appropriate.

A substantial portion of the Group's cash balances are managed through cash pooling arrangements to ensure efficient central management of funds. Funds are placed on deposit with secure, highly rated banks, subject to strict counterparty limits.

Capital management

The Group's objective is to ensure support of the Group's operations and maximise shareholder value. The Group uses cash generated from operations to invest organically or to finance acquisitions. The Group manages its capital structure and makes adjustments to it as required where changes in economic or market conditions are identified. The capital structure comprises debt and borrowings (see Note 23), cash and cash equivalents (see Note 23) and equity as disclosed in the Consolidated Statement of Changes in Equity. The Group is not subject to externally imposed capital requirements, other than financial covenant requirements on external borrowing.

Foreign currency risk

The Group has operations around the world and therefore its Consolidated Statement of Financial Position can be affected significantly by movements in the rate of exchange between sterling and various other currencies particularly the US dollar and Euro. The Group seeks to mitigate the effect of this structural currency exposure by borrowing in these currencies where appropriate while maintaining a low cost of debt. In addition the Group employs net investment hedge accounting where appropriate to mitigate these exposures, with such hedges being designated in both 2025 and 2024. The loss on net investment hedges during 2025 included in the Consolidated Statement of Comprehensive Income was £5.3m (2024: £4.7m gain). This is included within translation reserves in the Consolidated Statement of Changes in Equity (see Note 20).

The Group also has transactional currency exposures principally as a result of trading between Group companies. Such exposures arise from sales or purchases by an operating unit in currencies other than the unit's functional currency. The Group operates a programme to manage this risk on a Group-wide net basis, through the entering into of both forward contracts and non-deliverable forward contracts with a range of bank counterparties.

Fair values of financial assets and financial liabilities

Fair values of financial assets and liabilities at 31 December 2025 are not materially different from book values due to their size or the fact that they were at short-term rates of interest. Fair values have been assessed as follows:

- **Derivatives**

Forward exchange contracts are marked to market by discounting the future contracted cash flows using readily available market data.

- **Interest-bearing loans and borrowings**

Fair value is calculated based on discounted expected future principal and interest cash flows.

- **Lease liabilities**

The fair value is estimated as the present value of future cash flows, discounted at the incremental borrowing rate for the related geographical location unless the rate implicit in the lease is readily determinable.

- **Trade and other receivables/payables**

For receivables/payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value.

The following table compares amounts and fair values of the Group's financial assets and liabilities:

	2025 Carrying value £m	2025 Fair value £m	2024 Carrying value £m	2024 Fair value £m
Financial assets:				
Cash and cash equivalents	369.0	369.0	334.2	334.2
Trade, other receivables and contract assets	382.8	382.8	357.0	357.0
Total financial assets	751.8	751.8	691.2	691.2

25 Derivatives and other financial instruments continued

Fair values of financial assets and financial liabilities continued

	2025 Carrying value £m	2025 Fair value £m	2024 Carrying value £m	2024 Fair value £m
Financial liabilities:				
Borrowings	804.4	802.0	830.1	822.8
Lease liabilities	90.2	90.2	95.1	95.1
Bank overdrafts	129.3	129.3	100.3	100.3
Trade payables	91.9	91.9	86.0	86.0
Other payables and contract liabilities	45.3	45.3	68.2	68.2
Long-term payables	5.1	5.1	6.2	6.2
Accruals	118.7	118.7	98.9	98.9
Total financial liabilities	1,284.9	1,282.5	1,284.8	1,277.5

There are no other assets or liabilities measured at fair value on a recurring or non-recurring basis for which fair value is disclosed.

Derivative financial instruments are measured at fair value. Fair value of derivative financial instruments is calculated based on discounted cash flow analysis using appropriate market information for the duration of the instruments.

Financial instruments fair value disclosure

Fair value measurements are classified into three levels, depending on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets and liabilities
- Level 2 fair value measurements are those derived from other observable inputs for the asset or liability
- Level 3 fair value measurements are those derived from valuation techniques using inputs that are not based on observable market data

There were no significant differences between the carrying value and the fair value of the Group's financial assets and liabilities. The fair value of private placement borrowings is estimated by discounting the future contracted cash flows using readily available market data and represents a Level 2 measurement in the fair value hierarchy.

The Group considers that the derivative financial instruments also fall into Level 2.

Interest rate risk profile of financial liabilities

The interest rate profile of the financial liabilities of the Group as at 31 December was as follows:

	Total £m	Fixed rate financial liabilities £m	Floating rate financial liabilities £m	Financial liabilities on which no interest is paid £m
2025				
Euro	683.7	534.4	78.7	70.6
US dollar	299.2	168.1	82.5	48.6
Sterling	205.8	24.6	120.9	60.3
Renminbi	33.5	2.6	—	30.9
Other	62.7	12.7	0.6	49.4
Group total	1,284.9	742.4	282.7	259.8

	Total £m	Fixed rate financial liabilities £m	Floating rate financial liabilities £m	Financial liabilities on which no interest is paid £m
2024				
Euro	694.7	507.4	120.0	67.3
US dollar	370.8	181.9	127.6	61.3
Sterling	113.3	4.2	47.1	62.0
Renminbi	34.0	1.4	—	32.6
Other	72.0	14.4	0.4	57.2
Group total	1,284.8	709.3	295.1	280.4

25 Derivatives and other financial instruments continued

Terms and debt repayment schedule

The terms and conditions of outstanding borrowings were as follows:

	Currency	Nominal interest rate	Year of maturity	2025 Carrying value £m	2024 Carrying value £m
Unsecured private placement – \$185.0m	\$	5.3%	2028	137.2	147.9
Unsecured private placement – €140.0m	€	3.9%	2027	126.1	119.2
Unsecured bank facility*	£	3.8%	2026	120.9	49.2
Unsecured private placement – €125.0m	€	4.2%	2029	109.0	103.5
Unsecured private placement – €120.0m	€	2.4%	2026	105.0	99.6
Unsecured private placement – €110.0m	€	4.4%	2030	95.9	91.0
Unsecured private placement – €90.0m	€	3.9%	2031	78.5	74.5
Unsecured bank facility – €90.0m	€	3.0%	2026	78.5	74.5
Unsecured bank facility – \$100.0m	\$	4.5%	2028	74.2	119.9
Unsecured bank facility*	\$	5.0%	2026	8.2	5.6
Unsecured bank facility*	€	2.9%	2026	0.2	0.1
Unsecured bank facility*	€	2.9%	2025	—	45.4
Total outstanding borrowings				933.7	930.4

* These items relate to bank overdraft facilities which are evaluated annually.

The weighted average interest rate paid during the year was 4.0% (2024: 4.3%).

Interest rate risk profile of financial assets

The interest rate profile of the financial assets of the Group as at 31 December was as follows:

	Total £m	Fixed rate financial assets £m	Floating rate financial assets £m	Financial assets on which no interest is earned £m
2025				
Euro	268.8	7.0	109.0	152.8
US dollar	173.5	0.6	71.6	101.3
Sterling	47.7	—	19.3	28.4
Renminbi	55.5	5.4	13.5	36.6
Other	206.3	29.4	72.8	104.1
Group total	751.8	42.4	286.2	423.2
2024				
Euro	221.4	8.6	55.1	157.7
US dollar	203.1	0.3	84.2	118.6
Sterling	44.0	—	17.6	26.4
Renminbi	55.7	3.5	11.0	41.2
Other	167.0	6.1	24.8	136.1
Group total	691.2	18.5	192.7	480.0

Financial assets on which no interest is earned comprise trade and other receivables and cash at bank. Floating and fixed rate financial assets comprise cash at bank or cash placed on deposit.

25 Derivatives and other financial instruments continued

Currency exposures

As explained on page 202, the Group's objectives in managing the currency exposures arising from its net investment overseas (in other words, its structural currency exposures) are to maintain a low cost of debt while partially hedging against currency fluctuations. All gains and losses arising from these structural currency exposures are recognised in the Consolidated Statement of Comprehensive Income. In addition the Group employs net investment hedge accounting in order to mitigate these exposures where appropriate.

Transactional (or non-structural) exposures give rise to net currency gains and losses that are recognised in the Consolidated Income Statement. Such exposures include the monetary assets and monetary liabilities in the Consolidated Statement of Financial Position that are not denominated in the operating (or functional) currency of the operating unit involved. At 31 December 2025 the currency exposure in respect of the Euro was a net monetary liability of £100.6m (2024: £87.6m net monetary liability) and in respect of the US dollar a net monetary liability of £185.3m (2024: £222.9m net monetary liability).

At 31 December 2025, the percentage of debt to net assets, excluding debt, was 55% (2024: 57%) for the Euro and 8% (2024: 8%) for the US dollar.

Maturity of financial liabilities

The Group's financial liabilities at 31 December mature in the following periods:

	Trade, other payables, accruals and contract liabilities £m	Overdrafts £m	Lease liabilities £m	Long-term borrowings	Total £m
2025					
In six months or less, or on demand	254.5	129.3	10.8	120.5	515.1
In more than six months but no more than twelve	1.4	—	10.3	90.7	102.4
In more than one year but no more than two	3.3	—	17.7	286.4	307.4
In more than two years but no more than three	0.7	—	12.0	87.1	99.8
In more than three years but no more than four	0.6	—	7.8	121.1	129.5
In more than four years but no more than five	0.1	—	6.4	103.2	109.7
In more than five years	0.4	—	45.0	81.9	127.3
Total contractual cash flows	261.0	129.3	110.0	890.9	1,391.2
Consolidated Statement of Financial Position values	261.0	129.3	90.2	804.4	1,284.9

	Trade, other payables, accruals and contract liabilities £m	Overdrafts £m	Lease liabilities £m	Long-term borrowings	Total £m
2024					
In six months or less, or on demand	227.0	100.3	9.9	17.4	354.6
In more than six months but no more than twelve	26.1	—	9.3	141.5	176.9
In more than one year but no more than two	3.2	—	16.9	199.8	219.9
In more than two years but no more than three	2.1	—	13.2	285.2	300.5
In more than three years but no more than four	0.4	—	9.2	11.2	20.8
In more than four years but no more than five	—	—	6.6	113.9	120.5
In more than five years	0.5	—	54.9	173.8	229.2
Total contractual cash flows	259.3	100.3	120.0	942.8	1,422.4
Consolidated Statement of Financial Position values	259.3	100.3	95.1	830.1	1,284.8

The Group has not participated in any supplier financing arrangements during 2025 or 2024.

Cash flow hedges

The Group uses forward currency contracts to manage its exposure to movements in foreign exchange rates. The forward contracts are designated as hedging instruments in a cash flow hedging relationship. At 31 December 2025 the Group had contracts outstanding to economically hedge or to purchase £32.4m (2024: £35.8m) and €19.4m (2024: €23.3m) with US dollars, £69.0m (2024: £59.0m) with Euros, £17.1m (2024: £17.2m) and €8.6m (2024: €9.9m) with Chinese renminbi, £7.6m (2024: £7.9m) and €2.5m (2024: €3.3m) with Korean won, £3.6m (2024: £4.4m) with Singapore dollars and \$21.1m (2024: \$14.3m) with Mexican pesos.

The net fair values of these forward currency contracts at 31 December 2025 were an asset of £2.1m (2024: £1.3m liability), these are included within other current assets and trade and other payables on the Consolidated Statement of Financial Position. The fair value of cash flow hedges falls into the Level 2 category of the fair value hierarchy in accordance with IFRS 13. The fair value of derivative financial instruments is estimated by discounting the future contracted cash flow using readily available market data.

The contractual cash flows on forward currency contracts at the reporting date are shown below, classified by maturity. The cash flows shown are on a gross basis and are not discounted.

25 Derivatives and other financial instruments continued**Cash flow hedges** continued

	Less than 6 months £m	6 to 12 months £m	More than 12 months £m	Total £m
2025				
Contracted cash in/(out):				
Sterling	76.6	53.3	—	129.9
Euro	(27.4)	(15.0)	—	(42.4)
US dollar	(33.3)	(31.2)	—	(64.5)
Other	(18.6)	(16.8)	—	(35.4)
Total contractual cash flows	(2.7)	(9.7)	—	(12.4)
	Less than 6 months £m	6 to 12 months £m	More than 12 months £m	Total £m
2024				
Contracted cash in/(out):				
Sterling	64.1	60.2	—	124.3
Euro	(16.7)	(9.6)	—	(26.3)
US dollar	(36.0)	(32.5)	—	(68.5)
Other	(21.5)	(11.9)	—	(33.4)
Total contractual cash flows	(10.1)	6.2	—	(3.9)

It is anticipated that the cash flows will take place at the same time as the corresponding forward contract matures. At this time the amount deferred in equity will be reclassified to profit or loss.

All forecast transactions which have been subject to hedge accounting during the year have occurred or are still expected to occur.

A gain on derivative financial instruments of £2.5m (2024: £2.3m loss) was recognised in the Consolidated Statement of Comprehensive Income during the period.

As at 31 December 2025 no material ineffectiveness has been recognised in profit or loss arising from hedging foreign currency transactions.

Borrowing facilities

The Group has various borrowing facilities available to it. The undrawn committed facilities available at 31 December in respect of which all conditions precedent had been met at that date were as follows:

	2025 £m	2024 £m
Expiring in one year or less	—	—
Expiring in more than one year but no more than two years	—	—
Expiring in more than two years but no more than three years	—	—
Expiring in more than three years	400.0	400.0
Total undrawn committed facilities	400.0	400.0

The undrawn committed borrowing facilities in the above table are in respect of the Group's £400.0m (2024: £400.0m) revolving credit facility, of which all conditions precedent had been met. This facility expires in April 2029.

Sensitivity analysis

In managing interest rate and currency risks, the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer term, however, permanent changes in foreign exchange and interest rates would have an impact on consolidated earnings. Based on the year-end borrowings of £933.7m (2024: £930.4m), it is estimated that a general increase of one percentage point in interest rates would decrease the Group's profit after taxation and equity by approximately £1.2m (2024: £1.5m).

For the year ended 31 December 2025, it is estimated that a decrease of five percentage points in the value of sterling weighted in relation to the Group's profit and trading flows would decrease the Group's profit before taxation by approximately £16.5m (2024: decreased by £17.5m). The effect can be very different between years due to the weighting of different currency movements. Forward exchange contracts have been included in this calculation.

25 Derivatives and other financial instruments continued

The credit risk profile of trade receivables

The ageing of trade receivables at the reporting date was:

	Gross 2025 £m	Impairment 2025 £m	Net 2025 £m	Gross 2024 £m	Impairment 2024 £m	Net 2024 £m
Not past due date	261.8	(0.1)	261.7	250.2	(0.2)	250.0
0–30 days past due date	35.9	—	35.9	36.2	—	36.2
31–90 days past due date	16.9	(0.1)	16.8	16.5	(0.1)	16.4
91 days to one year past due date	10.5	(1.7)	8.8	12.2	(1.0)	11.2
More than one year	7.2	(7.2)	—	7.1	(7.1)	—
Group total	332.3	(9.1)	323.2	322.2	(8.4)	313.8

Other than those disclosed above no other impairment losses on receivables and contract assets arising from contracts with customers have been recognised. Other than trade receivables there are no financial assets that are passed their due date at 31 December 2025.

Payment terms across the Group vary depending on the geographic location of each operating company. Payment is typically due between 20 and 90 days after the invoice is issued.

No contracts with customers contain a significant financing component.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2025 £m	2024 £m
Balance at 1 January	8.4	10.3
Additional impairment	3.5	4.4
Amounts written off as uncollectable	(1.9)	(1.9)
Amounts recovered	(0.2)	(0.5)
Impairment losses reversed	(0.4)	(3.4)
Exchange differences	(0.3)	(0.5)
Balance at 31 December	9.1	8.4

26 Held for sale

As a result of the Group's restructuring programme, at the balance sheet date a Steam Thermal Solutions manufacturing site located in Mexico was deemed to meet the held for sale criteria. It is expected the sale of this asset will complete in the next 12 months. Any gain or loss on disposal is not expected to be material.

Alternative performance measures

The Group reports under International Financial Reporting Standards (IFRS) and also uses alternative performance measures where the Board believes that they help to effectively monitor the performance of the Group and that users of the Consolidated Financial Statements might find them informative. Certain alternative performance measures also form a meaningful element of Executive Directors' variable remuneration. Please see the Annual Report on Remuneration 2025 on pages 138 to 146 for further detail. A definition of the alternative performance measures and a reconciliation to the closest IFRS equivalent are disclosed below. The term 'adjusted' is not defined under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. Adjusted performance measures are not considered to be a substitute for, or superior to, IFRS measures.

Adjusted operating profit

Adjusted operating profit excludes items that are considered to be significant, non-recurring in nature and/or quantum at either a Group or an operating segment level and where treatment as an adjusting item provides all stakeholders with additional useful information to assess the period-on-period trading performance of the Group. Specific recurring items, such as the amortisation of acquired intangible assets, are also excluded. The Group excludes such items including those defined as follows:

- Amortisation and impairment of acquired intangible assets
- Costs associated with the acquisition or disposal of businesses
- Gain or loss on disposal of a subsidiary and/or disposal groups
- Reversal of acquisition-related fair value adjustments to inventory
- Changes in deferred and contingent consideration payable on acquisitions
- Costs associated with a material restructuring programme
- Material gains or losses on disposal of property
- Accelerated depreciation, impairment and other related costs on non-recurring, material property redevelopments
- Material non-recurring pension costs or credits
- Costs or credits arising from regulatory and litigation matters
- Other material items which are considered to be non-recurring in nature and/or are not a result of underlying trading
- Related tax effect on adjusting items above and other tax items which do not form part of the underlying tax rate

A reconciliation between operating profit as reported under IFRS and adjusted operating profit is given below.

	2025 £m	2024 £m
Operating profit as reported under IFRS	265.4	304.6
Restructuring costs	37.0	—
Amortisation of acquired intangible assets	34.6	34.1
Asset related impairment	2.9	5.7
Disposal of Associate	—	(3.2)
Acquisition-related items	—	(7.3)
Total adjusting items	74.5	29.3
Adjusted operating profit	339.9	333.9

Alternative performance measures continued

Adjusted earnings per share

	2025	2024
Profit for the year attributable to equity holders as reported under IFRS (£m)	163.4	191.2
Items excluded from adjusted profit (£m)	74.5	29.3
Tax effects on adjusted items (£m)	(19.5)	(9.5)
Adjusted profit for the year attributable to equity holders (£m)	218.4	211.0
Weighted average shares (million)	73.7	73.7
Basic adjusted earnings per share	296.3p	286.3p
Diluted weighted average shares (million)	73.9	73.9
Diluted adjusted earnings per share	295.7p	285.6p

Basic adjusted earnings per share are defined as adjusted profit for the period attributable to equity holders divided by the weighted average number of shares. Diluted adjusted earnings per share are defined as adjusted profit for the period attributable to equity holders divided by the diluted weighted average number of shares. Basic and diluted EPS calculated on an IFRS profit basis are included in Note 9.

Dividend cover

Dividend cover is calculated as adjusted earnings per share divided by dividends per share.

Adjusted cash flow

A reconciliation between net cash from operating activities as reported under IFRS to an adjusted basis is given below. Adjusted cash from operations is used by the Board to monitor the performance of the Group, this reflects the cash generation of the underlying business. It is calculated based on the Group's statutory cash generated from operations and adjusted for net capital expenditure, adjusting items, tax paid and repayment of principal under lease liabilities.

	2025 £m	2024 £m
Net cash from operating activities as reported under IFRS	296.2	312.8
Restructuring and acquisition-related costs	22.1	2.4
Net capital expenditure excluding acquired intangibles	(64.7)	(83.6)
Income tax paid	65.9	76.5
Repayments of principal under lease liabilities	(18.0)	(16.6)
Adjusted cash from operations	301.5	291.5

The adjusted cash flow is included in the Group Chief Financial Officer's Review on page 39.

Adjustments to operating profit as reported under IFRS totalled £74.5m (2024: £29.3m), resulting in a net cash outflow of £22.1m (2024: £7.4m inflow). Cash generated from operations includes restructuring costs of £22.1m (2024: £nil) and acquisition-related items of £nil (2024: £4.2m inflow). Net cash used in investing activities includes profit on disposal of businesses of £nil (2024: £3.2m).

Cash conversion

Cash conversion is one of the Group's key performance indicators used by the Board to monitor the performance of the Group and measure the successful implementation of the Group's strategy. It is one of three financial measures on which Executive Directors' variable remuneration is based.

Adjusted cash conversion in 2025 is 89% (2024: 87%). Adjusted cash conversion is calculated as adjusted cash from operations divided by adjusted operating profit. A reconciliation between adjusted cash from operations and net cash from operating activities as reported under IFRS and also a reconciliation between adjusted operating profit and operating profit as reported under IFRS are shown above.

Return on invested capital (ROIC) and return on capital employed (ROCE)

The Group distinguishes between invested capital and capital employed when calculating return on capital. Invested capital represents the total capital invested in the business and is equal to total equity plus net debt and therefore includes the impact of acquisitions and disposals. Capital employed is invested capital less certain non-current assets and non-current liabilities and therefore reflects capital that is more operational in nature. Both of these return metrics are used to ensure a full assessment of business performance.

Alternative performance measures continued

Return on invested capital (ROIC)

ROIC measures the post-tax return on the total capital invested in the Group. It is calculated as adjusted operating profit after tax divided by average invested capital. Average invested capital is defined as the average of the closing balance at the current and prior year ends. Taxation is calculated as adjusted operating profit multiplied by the adjusted effective tax rate.

An analysis of the components is as follows:

	2025 £m	2024 £m
Total equity	1,222.3	1,209.2
Net debt including lease liabilities	654.9	691.3
Less: assets classified as held for sale	(3.1)	—
Total invested capital	1,874.1	1,900.5
Average invested capital	1,887.3	1,910.8
Average invested capital (excluding leases)	1,794.6	1,813.8
Operating profit as reported under IFRS	265.4	304.6
Adjustments (see adjusted operating profit)	74.5	29.3
Adjusted operating profit	339.9	333.9
Taxation	(92.8)	(88.5)
Adjusted operating profit after taxation	247.1	245.4
Adjusted operating profit after taxation (excluding leases)	244.8	243.1
Return on invested capital	13.1%	12.8%
Return on invested capital (excluding leases)	13.6%	13.4%

Return on capital employed (ROCE)

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. Average capital employed is defined as the average of the closing balance at the current and prior year ends. More information on ROCE can be found in the Group Chief Financial Officer's Review on page 40.

An analysis of the components is as follows:

	2025 £m	2024 £m
Property, plant and equipment	425.8	433.1
Right-of-use assets	89.8	95.6
Software and development costs	64.9	52.0
Prepayments	2.4	1.8
Inventories	252.4	253.2
Trade receivables	323.2	313.8
Other current assets	86.8	75.1
Tax recoverable	13.1	10.6
Trade, other payables and current provisions	(281.8)	(268.4)
Current tax payable	(30.2)	(23.3)
Capital employed	946.4	943.5
Average capital employed	945.0	941.1
Average capital employed (excluding leases)	852.3	844.1
Operating profit	265.4	304.6
Adjustments (see adjusted operating profit on page 208)	74.5	29.3
Adjusted operating profit	339.9	333.9
Adjusted operating profit (excluding leases)	336.7	330.7
Return on capital employed	36.0%	35.5%
Return on capital employed (excluding leases)	39.5%	39.2%

Alternative performance measures continued

Return on capital employed (ROCE) continued

A reconciliation of capital employed to net assets as reported under IFRS and disclosed in the Consolidated Statement of Financial Position is given below.

	2025 £m	2024 £m
Capital employed	946.4	943.5
Goodwill and acquired intangibles	994.5	1,038.1
Investment in Associate	3.3	3.3
Assets classified as held for sale	3.1	—
Post-retirement benefits	(30.0)	(42.5)
Net deferred tax	(26.8)	(29.4)
Non-current provisions and long-term payables	(13.3)	(12.5)
Lease liabilities	(90.2)	(95.1)
Net debt	(564.7)	(596.2)
Net assets as reported under IFRS	1,222.3	1,209.2

Net debt including lease liabilities

A reconciliation between net debt and net debt including lease liabilities is given below. A breakdown of the balances that are included within net debt is given within Note 23. Net debt excludes lease liabilities to be consistent with how net debt is defined for external debt covenant purposes.

	2025 £m	2024 £m
Net debt	564.7	596.2
Lease liabilities	90.2	95.1
Net debt including lease liabilities	654.9	691.3

Net debt to earnings before interest, tax, depreciation and amortisation (EBITDA)

To assess the size of the net debt balance relative to the size of the earnings for the Group, net debt is analysed as a proportion of EBITDA. EBITDA is calculated by adding back depreciation and amortisation of owned property, plant and equipment, software and development costs to adjusted operating profit. Net debt is calculated as cash and cash equivalents less bank overdrafts and external borrowings (excluding lease liabilities). The net debt to EBITDA ratio is calculated as follows:

	2025 £m	2024 £m
Adjusted operating profit	339.9	333.9
Depreciation and amortisation of property, plant and equipment, software and development costs	46.0	46.3
Profit on disposal of property, plant and equipment	(1.1)	(3.8)
Earnings before interest, tax, depreciation and amortisation	384.8	376.4
Net debt	564.7	596.2
Net debt to EBITDA	1.5	1.6

The components of net debt are disclosed in Note 23.

Organic measures

As a multi-national Group, which trades in many currencies and also acquires and sometimes disposes of companies, organic performance measures are referred to throughout the Annual Report. These strip out the effects of the movement in exchange rates and of acquisitions and disposals. The following table also included a line item showing the revenue movements for Steam Thermal Solutions excluding large projects in China and Korea. The Board believe that these allow users of the Annual Report to gain a further understanding of how the Group has performed. Exchange translation movements are assessed by re-translating prior period reported values to current period exchange rates. Exchange transaction impacts on operating profit are assessed on the basis of transactions being at constant currency between years.

The incremental impact of any acquisitions that occurred in either the current or prior period is excluded from the organic results of the current period at current period exchange rates. For any disposals that occurred in the current or prior period, the current period organic results include the difference between the current and prior period financial results only for the like-for-like period of ownership. No acquisitions or disposals took place in the current or prior year.

The organic percentage movement is calculated as the organic movement divided by the prior period at current period exchange rates, excluding disposals for the non-like-for-like period of ownership. The organic bps change in adjusted operating margin is the difference between the current period margin, excluding the incremental impact of acquisitions and the prior period margin excluding disposals for the non-like-for-like period of ownership at current period exchange rates.

Alternative performance measures continued

Organic measures continued

A reconciliation of the movement in revenue and adjusted operating profit compared to the prior period is given below.

	2024 £m	Exchange £m	Organic £m	2025 £m	Organic	Reported
Revenue						
Steam Thermal Solutions	867.9	(23.4)	8.9	853.4	1%	(2)%
Electric Thermal Solutions	404.6	(6.2)	42.9	441.3	11%	9%
Watson-Marlow Fluid Technology Solutions	392.7	(6.9)	22.4	408.2	6%	4%
Total	1,665.2	(36.5)	74.2	1,702.9	5%	2%
Steam Thermal Solutions excluding large projects in China & Korea	755.6	(19.0)	20.8	757.4	3%	—
Adjusted operating profit						
Steam Thermal Solutions	204.1	(9.2)	5.4	200.3	3%	(2)%
Electric Thermal Solutions	64.7	(1.1)	7.7	71.3	12%	10%
Watson-Marlow Fluid Technology Solutions	99.0	(4.2)	12.2	107.0	13%	8%
Corporate	(33.9)	—	(4.8)	(38.7)		
Total	333.9	(14.5)	20.5	339.9	6%	2%
Adjusted operating margin	20.1%			20.0%	30bps	(10)bps

The term 'sales' is used interchangeably with 'revenue' when describing the financial performance of the business. Margin is calculated as the organic increase in adjusted operating profit divided by the organic increase in revenue.

Large projects are sales funded from customers' capital expenditure budgets.

Analysis by operating segment

2025

	Revenue £m	Adjusted operating profit £m	Adjusted operating margin
Steam Thermal Solutions	853.4	200.3	23.5%
Electric Thermal Solutions	441.3	71.3	16.2%
Watson-Marlow Fluid Technology Solutions	408.2	107.0	26.2%
Corporate	—	(38.7)	
Total	1,702.9	339.9	20.0%
Net financing expense		(38.3)	
Share of loss of Associate		(0.6)	
Adjusted profit before taxation		301.0	

2024

	Revenue £m	Adjusted operating profit £m	Adjusted operating margin
Steam Thermal Solutions	867.9	204.1	23.5%
Electric Thermal Solutions	404.6	64.7	16.0%
Watson-Marlow Fluid Technology Solutions	392.7	99.0	25.2%
Corporate	—	(33.9)	
Total	1,665.2	333.9	20.1%
Net financing expense		(43.7)	
Share of loss of Associate		(2.0)	
Adjusted profit before taxation		288.2	

Alternative performance measures continued

Operating costs

	2025 Adjusted £m	2025 Adjustments £m	2025 Total £m	2024 Adjusted £m	2024 Adjustments £m	2024 Total £m
Cost of inventories recognised as an expense	394.6	—	394.6	396.5	—	396.5
Staff costs (Note 4)	669.3	—	669.3	643.2	—	643.2
Depreciation, amortisation and impairment	64.7	37.5	102.2	63.9	39.8	103.7
Other operating charges	234.4	37.0	271.4	227.7	(10.5)	217.2
Total operating costs	1,363.0	74.5	1,437.5	1,331.3	29.3	1,360.6

Total depreciation, amortisation and impairment includes amortisation of acquired intangible assets of £34.6m (2024: £34.1m) and £2.9m of asset impairment in relation to the Group restructuring programme (2024: £nil). In the previous period it included an impairment of Watson-Marlow Fluid Technology Solutions of £5.7m.

Total other operating charges include Group restructuring costs of £37.0m (2024: £nil). In the previous period, other operating charges included a acquisition-related item credit of £7.3m relating to the acquisitions of Vulcanic and Durex and a £3.2m profit on the disposal of Kyoto Group, an associate investment.

The reconciliation for each operating segment for adjusting items is analysed below:

2025

	Amortisation of acquired intangibles £m	Restructuring costs £m	Asset related impairment £m	Total £m
Steam Thermal Solutions	(6.0)	(24.3)	(2.2)	(32.5)
Electric Thermal Solutions	(25.5)	(4.7)	(0.7)	(30.9)
Watson-Marlow Fluid Technology Solutions	(3.1)	(7.0)	—	(10.1)
Corporate	—	(1.0)	—	(1.0)
Total	(34.6)	(37.0)	(2.9)	(74.5)

2024

	Amortisation of acquired intangibles £m	Asset related impairment £m	Disposal of Associate £m	Acquisition- related items £m	Total £m
Steam Thermal Solutions	(5.2)	—	—	—	(5.2)
Electric Thermal Solutions	(25.9)	—	—	7.3	(18.6)
Watson-Marlow Fluid Technology Solutions	(3.0)	(5.7)	—	—	(8.7)
Corporate	—	—	3.2	—	3.2
Total	(34.1)	(5.7)	3.2	7.3	(29.3)

Alternative performance measures continued

Tax on adjusting items

	2025 Adjusted £m	2025 Adjustments £m	2025 Total £m	2024 Adjusted £m	2024 Adjustments £m	2024 Total £m
Analysis of charge in year						
UK corporation tax:						
Current tax on income for the year	8.9	(1.5)	7.4	7.7	—	7.7
Adjustments in respect of prior years	0.3	—	0.3	(0.3)	—	(0.3)
	9.2	(1.5)	7.7	7.4	—	7.4
Foreign tax:						
Current tax on income for the year	71.6	(8.4)	63.2	71.8	(3.7)	68.1
Adjustments in respect of prior years	(1.3)	—	(1.3)	(0.7)	—	(0.7)
	70.3	(8.4)	61.9	71.1	(3.7)	67.4
Total current tax charge/(credit)	79.5	(9.9)	69.6	78.5	(3.7)	74.8
UK deferred tax:						
Origination and reversal of timing differences	2.0	(3.8)	(1.8)	(2.6)	(0.7)	(3.3)
Adjustment in respect of prior years	(1.3)	—	(1.3)	(0.3)	—	(0.3)
	0.7	(3.8)	(3.1)	(2.9)	(0.7)	(3.6)
Foreign deferred tax:						
Origination and reversal of timing differences	4.3	(5.8)	(1.5)	0.4	(3.6)	(3.2)
Adjustment in respect of prior years	(2.1)	—	(2.1)	1.0	(1.5)	(0.5)
	2.2	(5.8)	(3.6)	1.4	(5.1)	(3.7)
Total deferred tax credit	2.9	(9.6)	(6.7)	(1.5)	(5.8)	(7.3)
Tax on profit on ordinary activities	82.4	(19.5)	62.9	77.0	(9.5)	67.5

Reconciliation of effective tax rate

	2025 Adjusted £m	2025 Adjustments £m	2025 Total £m	2024 Adjusted £m	2024 Adjustments £m	2024 Total £m
Profit before taxation	301.5	(75.0)	226.5	290.1	(31.2)	258.9
Expected tax at blended rate	79.2	(19.7)	59.5	76.4	(7.2)	69.2
Increased withholding tax on overseas dividends	7.0	—	7.0	6.8	—	6.8
Non-deductible expenditure and incentives	1.5	0.4	1.9	(1.6)	(0.6)	(2.2)
Over provided in prior years	(4.4)	—	(4.4)	(0.3)	(1.5)	(1.8)
Other reconciling items	(0.9)	(0.2)	(1.1)	(4.3)	(0.2)	(4.5)
Total tax in Consolidated Income Statement	82.4	(19.5)	62.9	77.0	(9.5)	67.5
Effective tax rate	27.3%	26.0%	27.8%	26.5%	30.4%	26.1%

Adjustments include adjusting items and share of loss of Associate.

The effective tax rate on an adjusted profits basis is calculated as a percentage of profit before both tax and share of loss of Associate.

Company Statement of Financial Position at 31 December 2025

	Notes	2025 £m	2024 £m
Assets			
Non-current assets			
Property, plant and equipment	12	21.8	23.4
Loans to subsidiaries	3, 9	—	99.3
Investment in subsidiaries	2	804.1	759.5
Deferred tax assets	6	15.9	14.5
Post-retirement benefits	7	0.7	1.2
		842.5	897.9
Current assets			
Loans to subsidiaries	3, 9	105.0	0.4
Due from subsidiaries	9	32.1	53.0
Other current assets	4	5.3	4.5
Taxation recoverable		6.3	2.5
Cash and cash equivalents		33.4	10.1
		182.1	70.5
Total assets		1,024.6	968.4
Equity and liabilities			
Current liabilities			
Trade and other payables	5	10.5	10.3
Due to subsidiaries	9	92.3	99.0
Current portion of long-term borrowings	10	105.0	0.3
Short-term borrowings		120.9	49.2
Current tax payable		2.1	1.2
		330.8	160.0
Net current liabilities		(148.7)	(89.5)
Non-current liabilities			
Long-term borrowings	10	—	99.3
Deferred tax liabilities	6	0.2	0.2
Due to subsidiaries	9	6.1	6.3
		6.3	105.8
Total liabilities		337.1	265.8
Net assets		687.5	702.6
Equity			
Share capital	8	19.9	19.8
Share premium account		92.3	92.0
Other reserves	8	31.0	20.9
Retained earnings		544.3	569.9
Total equity		687.5	702.6
Total equity and liabilities		1,024.6	968.4

The loss before dividends received was £28.2m (2024: £25.1m). Dividends from subsidiary undertakings of £126.4m (2024: £129.2m) are excluded from this amount. Total profit recognised during the year was £98.2m (2024: £104.1m).

These Company Financial Statements of Spirax Group plc, company number 00596337, were approved by the Board of Directors and authorised for issue on 9 March 2026 and signed on its behalf by:

N.B. Patel
Director

L. S. Burdett
Director

Company Statement of Changes in Equity for the year ended 31 December 2025

	Share capital £m	Share premium account £m	Other reserves £m	Retained earnings £m	Total equity £m
Balance at 1 January 2025	19.8	92.0	20.8	570.0	702.6
Profit for the year	—	—	—	98.2	98.2
Other comprehensive income:					
Gain on cash flow hedges net of tax	—	—	2.5	—	2.5
Remeasurement loss on post-retirement benefits	—	—	—	(0.2)	(0.2)
Deferred tax on remeasurement loss on post-retirement benefits	—	—	—	0.1	0.1
Total other comprehensive income for the year	—	—	2.5	(0.1)	2.4
Total comprehensive income for the year	—	—	2.5	98.1	100.6
Contributions by and distributions to owners of the Company:					
Dividends paid	—	—	—	(122.5)	(122.5)
Equity settled share plans net of tax	—	—	—	(1.3)	(1.3)
Issue of share capital	0.1	0.3	—	—	0.4
Employee Benefit Trust shares	—	—	4.8	—	4.8
Investment in subsidiaries in relation to share options granted	—	—	2.9	—	2.9
Balance at 31 December 2025	19.9	92.3	31.0	544.3	687.5

for the year ended 31 December 2024

	Share capital £m	Share premium account £m	Other reserves £m	Retained earnings £m	Total equity £m
Balance at 1 January 2024	19.8	90.1	14.7	593.5	718.1
Profit for the year	—	—	—	104.1	104.1
Other comprehensive income:					
Cash flow hedges net of tax	—	—	(2.3)	—	(2.3)
Remeasurement loss on post-retirement benefits	—	—	—	(4.1)	(4.1)
Deferred tax on remeasurement loss on post-retirement benefits	—	—	—	1.0	1.0
Total other comprehensive income for the year	—	—	(2.3)	(3.1)	(5.4)
Total comprehensive income for the year	—	—	(2.3)	101.0	98.7
Contributions by and distributions to owners of the Company:					
Dividends paid	—	—	—	(119.0)	(119.0)
Equity settled share plans net of tax	—	—	—	(5.5)	(5.5)
Issue of share capital	—	1.9	—	—	1.9
Employee Benefit Trust shares	—	—	7.7	—	7.7
Investment in subsidiaries in relation to share options granted	—	—	0.7	—	0.7
Balance at 31 December 2024	19.8	92.0	20.8	570.0	702.6

Other reserves represent the Company's share-based payments, cash flow hedges, capital redemption and Employee Benefit Trust reserves (see Note 8).

The Notes on pages 217 to 222 form an integral part of the Company Financial Statements.

1 Accounting policies

Spirax Group plc (the Company) is a public limited company incorporated and domiciled in England, United Kingdom (registration number 00596337) and is limited by shares. The Company is the ultimate parent of Spirax Group and is included in the Consolidated Financial Statements of Spirax Group. The Company's principal activity is to manage corporate costs and activities. The registered address of the Company is Charlton House, Cirencester Road, Cheltenham, Gloucestershire, United Kingdom, GL53 8ER.

The Company meets the definition of a qualifying entity under FRS 100. The separate Company Financial Statements are presented as required by the Companies Act 2006 and have been prepared on the historical cost and Going Concern basis, and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. As permitted by FRS 101, the Company has applied the exemptions available in respect of the following:

- Share-based payments
- Financial instruments
- A Cash Flow Statement and related notes
- Disclosures in respect of capital management
- The effects of new but not yet effective IFRSs
- Disclosures in respect of the compensation of key management personnel
- International tax reform – Pillar Two model rules

Under Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own Income Statement. As permitted by the audit fee disclosure regulations, disclosure of non-audit fees information is not included in respect of the Company.

The Company's accounting policies are the same as those set out in Note 1 of the Consolidated Financial Statements, except as noted below.

The Directors have concluded that no critical judgements or key sources of estimation uncertainty have been made in the process of applying the Company's accounting policies.

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

Loans to or from other Group undertakings and all other payables and receivables are initially recorded at fair value, which is generally the proceeds received. They are then subsequently carried at amortised cost.

2 Investments in subsidiaries

	2025 £m	2024 £m
Cost:		
At 1 January	759.5	758.8
Additional investment in subsidiaries	41.7	—
Share options issued to subsidiary company employees	2.9	0.7
At 31 December	804.1	759.5

Investments are stated at cost less provisions for any impairment in value.

Details relating to subsidiary undertakings are given on pages 223 to 228. Except where stated, all classes of shares were 100% owned by the Group at 31 December 2025. The country of incorporation of the principal Group companies is the same as the country of operation with the exception of companies operating in the United Kingdom which are incorporated in Great Britain. All operate in the thermal solutions (steam and electrical) and fluid technologies markets, except those companies identified as a holding company on pages 223 to 228.

During the year, the Company increased its investment in Spirax-Sarco Investments Limited by £38.0m in connection with the refinancing of intra-group funding arrangements. The Company also invested £3.7m in a new subsidiary, Spirax-Sarco Engineering Limited, which will hold and manage certain Group digital assets.

3 Loans to subsidiaries

	2025 £m	2024 £m
Cost:		
At 1 January	99.7	104.4
Interest	2.7	2.5
Repayments	(2.7)	(2.5)
Exchange adjustment	5.3	(4.7)
At 31 December	105.0	99.7

The terms and conditions of loans to subsidiaries at 31 December 2025 were as follows:

	Currency	Nominal interest rate	Year of maturity	2025 £m	2024 £m
Spirax-Sarco Overseas Limited	€	2.4%	2026	105.0	99.7
Total loans to subsidiaries				105.0	99.7
Due within one year				105.0	0.4
Due after more than one year				—	99.3

4 Other current assets

	2025 £m	2024 £m
Prepayments and other receivables	2.4	4.5
Derivative assets	2.9	—
Total other current assets	5.3	4.5

5 Trade and other payables

	2025 £m	2024 £m
Accruals	9.7	9.0
Derivative liabilities	0.8	1.3
Total trade and other payables	10.5	10.3

6 Deferred tax assets and liabilities

Movement in deferred tax during the year 2025

	1 January 2025 £m	Recognised in income £m	Recognised in OCI £m	31 December 2025 £m
Other temporary differences	14.6	2.0	(0.7)	15.9
Pensions liability	(0.3)	—	0.1	(0.2)
Net deferred tax	14.3	2.0	(0.6)	15.7

Movement in deferred tax during the year 2024

	1 January 2024 £m	Recognised in income £m	Recognised in OCI £m	31 December 2024 £m
Other temporary differences	9.3	4.5	0.8	14.6
Pensions liability	(1.3)	—	1.0	(0.3)
Net deferred tax	8.0	4.5	1.8	14.3

Deferred tax assets and liabilities arising in the same tax jurisdiction have been offset where there is a legally enforceable right to set off current tax assets and liabilities, and the deferred tax assets and liabilities relate to taxes levied by the same taxation authority. Below is the analysis of the deferred tax balances after the offset.

	2025 £m	2024 £m
Deferred tax asset	15.9	14.5
Deferred tax liability	(0.2)	(0.2)
Net deferred tax asset	15.7	14.3

7 Employee benefits

Pension plans

The disclosures shown here are in respect of the Company's defined benefit obligations. Other plans operated by the Company were defined contribution plans.

The total expense relating to the Company's defined contribution pension plans in the current year was £1.0m (2024: £1.2m).

At 31 December 2025 the mortality assumptions in respect of the Company defined benefit scheme follows 84%/87% (male/female) of SAPS 3 light normal, CMI 2024 future improvements, 1.0% long-term trend, smoothing factor of 7 and half-life parameter of 0.5. At 31 December 2024, the mortality assumptions in respect of the Company defined benefit scheme follows 84%/87% (male/female) of SAPS 3 light normal, CMI 2023 future improvements, 1.0% long-term trend, smoothing factor of 7 and weights parameter of 100%.

Assumptions are reviewed annually with reference to scheme-specific experience and externally published statistics.

The financial assumptions used at 31 December were:

	Weighted average assumptions used to define the benefit obligations	
	2025 %	2024 %
Rate of increase in pensions	2.7	3.0
Rate of price inflation	2.8	3.2
Discount rate	5.5	5.4

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions, which due to the timescale covered, may not necessarily be borne out in practice.

Fair value of scheme assets:

	2025 £m	2024 £m
Cash and cash equivalents	0.7	1.2
Insurance contracts	32.5	33.5
Total market value in aggregate	33.2	34.7

The plan assets are primarily held in buy-in policies.

The actual return on plan assets was a gain of £1.8m (2024: a loss of £4.6m).

The amounts recognised in the Company Statement of Financial Position are determined as follows:

	2025 £m	2024 £m
Fair value of scheme's assets	33.2	34.7
Present value of funded scheme's liabilities	(32.5)	(33.5)
Retirement benefit asset recognised in the Company Statement of Financial Position	0.7	1.2
Related deferred tax	(0.2)	(0.3)
Net pension asset	0.5	0.9

The movements in the defined benefit obligation (DBO) recognised in the Company Statement of Financial Position during the year were:

	2025 £m	2024 £m
Defined benefit obligation at beginning of year	(33.5)	(37.2)
Interest cost	(1.7)	(1.6)
Remeasurement gain	0.2	2.1
Experience (loss)/gain	(0.4)	0.2
Actual benefit payments	2.9	3.0
Defined benefit obligation at end of year	(32.5)	(33.5)

7 Employee benefits continued

Pension plans continued

The movements in the fair value of plan assets during the year were:

	2025 £m	2024 £m
Value of assets at beginning of year	34.7	42.7
Expected return on assets	1.8	1.8
Remeasurement loss	—	(6.4)
Administration costs	(0.4)	(0.4)
Actual benefit payments	(2.9)	(3.0)
Value of assets at end of year	33.2	34.7

The estimated employer contributions to be made in 2026 are £nil.

The history of experience adjustments is as follows:

	2025 £m	2024 £m	2023 £m	2022 £m	2021 £m
Defined benefit obligation at end of year	(32.5)	(33.5)	(37.2)	(38.6)	(55.2)
Fair value of scheme's assets	33.2	34.7	42.7	42.5	60.3
Retirement benefit recognised in the Company Statement of Financial Position	0.7	1.2	5.5	3.9	5.1
Experience adjustment on scheme's liabilities	(0.4)	0.2	0.1	0.9	3.5
As a percentage of scheme's liabilities	1.4%	0.6%	0.3%	2.3%	6.3%
Experience adjustment on scheme's assets	—	(6.4)	1.3	(16.1)	2.4
As a percentage of scheme's assets	—	18.4%	3.0%	37.9%	4.0%

The expense recognised in the Company Income Statement was as follows:

	2025 £m	2024 £m
Administration cost	(0.4)	(0.4)
Net interest on scheme's assets and liabilities	0.1	0.2
Total expense recognised in Income Statement	(0.3)	(0.2)

Statement of Comprehensive Income (OCI):

	2025 £m	2024 £m
Remeasurement effects recognised in OCI:		
Due to experience on DBO	(0.4)	0.2
Due to demographic assumption changes in DBO	(0.5)	0.1
Due to financial assumption changes in DBO	0.7	2.0
Return on assets	—	(6.4)
Total remeasurement loss recognised in OCI	(0.2)	(4.1)
Deferred tax on remeasurement amount recognised in OCI	0.1	1.0
Cumulative loss recognised in OCI at beginning of year	(13.4)	(10.3)
Cumulative loss recognised in OCI at end of year	(13.5)	(13.4)

Sensitivity analysis

The effect on the defined benefit obligation at 31 December 2025 of an increase or decrease in key assumptions is as follows:

Increase/(decrease) in pension defined benefit obligation	£m
Discount rate assumption being 1.00% higher	(2.3)
Discount rate assumption being 1.00% lower	2.5
Inflation assumption being 1.00% higher	1.8
Inflation assumption being 1.00% lower	(1.7)
Mortality assumption life expectancy at age 65 being one year higher	1.1

The above sensitivities reflect reasonable possible changes in the assumptions and therefore have been selected on this basis.

7 Employee benefits continued

Share-based payments

Disclosures of the share-based payments offered to employees of the Company are set out below. The description and operation of each scheme is the same as outlined in the Group disclosure.

The relevant disclosures in respect of the Performance Share Plan grants are as follows:

	2021 Grant	2022 Grant	2023 Grant	2024 Grant	2025 Grant
Grant date	4 May	14 March	13 March	21 March	25 March
Mid-market share price at grant date	11,770.0p	11,910.0p	10,880.0p	10,377p	6,738p
Number of employees	15	13	15	16	17
Shares under scheme	45,815	42,573	52,259	66,713	89,464
Vesting period	3 years	3 years	3 years	3 years	3 years
Probability of vesting	73.9%	76.1%	81.2%	79.7%	77.8%
Fair value	8,698.0p	9,057.6p	8,829.1p	8,273.6p	5,240.1p

8 Called-up share capital and reserves

	2025 £m	2024 £m
Ordinary shares of 26 12/13p (2024: 26 12/13p) each		
Allotted, called up and fully paid 73,776,048 (2024: 73,776,048)	19.9	19.8

21,871 (2024: 49,244) shares with a nominal value of £5,888 (2024: £13,258) were issued in connection with the Group's Employee Share Ownership Plan with external consideration of £nil (2024: £1.9m) received by the Company. During the year, 6,115 shares were repatriated and immediately sold with external consideration of £0.3m (2024: £nil) received by the Company.

No shares were purchased into an Employee Benefit Trust (EBT) during either year. At 31 December 2025 30,167 shares (2024: 72,250) were held in an Employee Benefit Trust and available for use in connection with the Group's Employee Share Schemes. 17 senior employees of the Company have been granted options on ordinary shares under the Performance Share Plan (Note 7).

Other reserves in the Company Statement of Changes in Equity on page 216 are made up as follows:

	1 January 2025 £m	Change in year £m	31 December 2025 £m
Share-based payments reserve	28.3	2.9	31.2
Cash flow hedges reserve	(1.0)	2.5	1.5
Capital redemption reserve	1.8	—	1.8
Employee Benefit Trust reserve	(8.3)	4.8	(3.5)
Total other reserves	20.8	10.2	31.0

	1 January 2024 £m	Change in year £m	31 December 2024 £m
Share-based payments reserve	27.6	0.7	28.3
Cash flow hedges reserve	1.3	(2.3)	(1.0)
Capital redemption reserve	1.8	—	1.8
Employee Benefit Trust reserve	(16.0)	7.7	(8.3)
Total other reserves	14.7	6.1	20.8

Share-based payments reserve

This reserve records the Company's share-based payment charge that is recognised in reserves.

Cash flow hedges reserve

This reserve records the Company's cumulative net change in the fair value of forward exchange contracts where they are designated as effective cash flow hedge relationships.

Capital redemption reserve

This reserve records the historical repurchase of the Company's own shares.

Employee Benefit Trust reserve

The Company has an Employee Benefit Trust which is used to purchase, hold and issue shares in connection with the Group's Employee Share Schemes. The shares held in Trust are recorded in this separate reserve.

9 Related party transactions

	2025 £m	2024 £m
Dividends received from subsidiaries	126.4	129.2
Current loans due from subsidiaries at 31 December	105.0	0.4
Non-current loans due from subsidiaries at 31 December	—	99.3
Current amounts due from subsidiaries at 31 December	32.1	53.0
Current amounts due to subsidiaries at 31 December	92.3	99.0
Non-current amounts due to subsidiaries at 31 December	6.1	6.3

Amounts due to and from Group undertakings are unsecured and have various repayment terms depending on the loan agreement. All loans owed to/from Group undertakings are formalised arrangements on an arm's length basis.

10 Financial instruments

The terms and conditions of outstanding loans at 31 December 2025 are as follows:

	Currency	Nominal interest rate	Year of maturity	Carrying value £m
Unsecured private placement – €120m	€	2.4%	2026	105.0
Total outstanding loans				105.0
Current portion of long-term borrowings due before 31 December 2026				105.0
Long-term borrowings payable after 31 December 2026				—
Total outstanding loans				105.0

	Currency	Nominal interest rate	Year of maturity	Carrying value £m
Unsecured private placement – €120m	€	2.4%	2026	99.7
Total outstanding loans				99.7
Current portion of long-term borrowings due before 31 December 2025				0.4
Long-term borrowings payable after 31 December 2025				99.3
Total outstanding loans				99.7

The Company has undrawn committed borrowing facilities in respect of a £400.0m revolving credit facility, of which all conditions precedent had been met. This facility expires in April 2029.

The Company participates in a number of Group cash pooling arrangements. The sterling zero balance account pool, for which the Company holds the header account, is presented gross within cash and cash equivalents or short-term borrowings, with the accounts relating to subsidiaries being shown within amounts due to or from subsidiaries.

11 Staff costs and numbers

The aggregate payroll costs of persons employed by the Company were as follows:

	2025 £m	2024 £m
Wages and salaries	24.9	21.0
Social security costs	3.3	2.0
Pension costs	1.0	1.6
Total payroll costs	29.2	24.6

The average number of employees of the Company during the year was 162 (2024: 140). All employees are classified within the administrative category.

12 Other information

Dividends

Dividends paid by the Company are disclosed in Note 10 of the Consolidated Financial Statements.

Property, plant and equipment

The Company holds freehold property with a cost of £26.9m (2024: £27.3m), accumulated depreciation of £5.1m (2024: £3.9m) and a net book value of £21.8m (2024: £23.4m).

Directors' remuneration

The remuneration of the Directors of the Company is shown in the Annual Report on Remuneration 2025 on pages 138 to 146.

Auditor's remuneration

Auditor's remuneration in respect of the Company's annual audit has been disclosed on a consolidated basis in the Consolidated Financial Statements in Note 6 as required by Section 494(4)(a) of the Companies Act 2006.

In accordance with Section 409 of the Companies Act 2006, a full list of related undertakings as at 31 December 2025 is disclosed below.

Steam Thermal Solutions – EMEA

Country/Territory	Company name	Registered office address
Belgium	Spirax Sarco NV	Industriepark 5, B-9052 Zwijnaarde, Belgium
Czech Republic	Spirax Sarco spol sro	Prazska 1455, 102 00 Praha, Hostivar, Czech Republic
Egypt	Spirax Sarco Egypt LLC	19 Farid Street, Heliopolis, Cairo, Egypt
	Spirax Sarco Energy Solutions LLC (H)	19 Farid Street, Heliopolis, Cairo, Egypt
Finland	Spirax Oy	Niittytie 25 A 24, 01300 Vantaa, Helsinki, Finland
France	Spirax Sarco SAS	Zone Industrielle des Bruyères 8 Avenue le Verrier, 78190 Trappes, France
	Spirax-Sarco France HoldCo SAS (H)	23 Route de Château-Thierry, 02200 Noyant-et-Aconin, Soissons, France
	Gestra France SAS	Zone Industrielle des Bruyères, 8 Avenue Le Verrier 78190 Trappes, France
	Spirax Sarco North and West Africa SAS	Zone Industrielle des Bruyères, 8 Avenue Le Verrier, 78190 Trappes, France
Germany	Spirax Sarco GmbH Regelapparate	Reichenastr. 210, 78467 Konstanz, Germany
	Spirax-Sarco Germany Holdings GmbH (H)	Reichenastr. 210, 78467, Konstanz, Germany
	Gestra AG	Muenchener Str. 77, 28215, Bremen, Germany
	Gestra HoldCo GmbH (H)	Muenchener Str. 77, 28215, Bremen, Germany
Hungary	Spirax-Sarco Kft	1103 Budapest Koér utca 2/A, Hungary
Italy	Spirax Sarco Srl	Via Per Cinisello 18, 20834 Nova Milanese, Italy
	Italgestra Srl	Via Per Cinisello 18, 20834 Nova Milanese, Italy
Kenya	Spirax Sarco East Africa Limited	Clifton Park, Mombasa Road, Nairobi, Kenya
Morocco	Spirax Sarco Maghreb	Secteur 3, Lot 146, Rue Arfoud, Bureaux 5 et 6, commerce 2-12000 Temara, Morocco
Netherlands	Spirax-Sarco Netherlands BV	Industrieweg 130A, 3044 AT, Rotterdam, Netherlands
	Spirax-Sarco Engineering BV (H)	Industrieweg 130A, 3044 AT, Rotterdam, Netherlands
	Spirax-Sarco Investments BV (H)	Industrieweg 130A, 3044 AT, Rotterdam, Netherlands
	Spirax-Sarco Netherlands Holdings Coöperative WA (H)	Sluisstraat 7, 7491 GA Delden, Delden, Netherlands
Norway	Spirax Sarco AS	Vestvollveien 14A, N-2019 Skedsmokorset, Norway
Poland	Spirax Sarco Sp Zoo	Jutrzenki 98, 02-230, Warszawa, Poland
	Gestra Polonia Sp Zoo	ul Ku Ujściu 19, PL 80-172, Gdansk, Poland
Portugal	Spirax Sarco Equipamentos Ind Lda	Rua Quinta do Pinheiro, No 8 and 8A, 2794-058 Carnaxide, Portugal
	Gestra Portugal, Lda	Avenida Dr Antunes Guimaraes, Numero 1159, Porto 4100-082, Portugal
Romania	Spirax-Sarco SRL	2-4 Traian Street, Cluj-Napoca Municipality, Cluj County, Romania
South Africa	Spirax Sarco Investments (Pty) Limited (H)	Corner Brine Avenue and Horn Street, Chlookop Ext 23, Gauteng 1624, South Africa
	Spirax Sarco South Africa (Pty) Limited	Corner Brine Avenue and Horn Street, Chlookop Ext 23, Gauteng 1624, South Africa
Spain	Spirax-Sarco SAU	C/ Sant Josep, 130 08980 Sant Feliu de Llobregat, Barcelona, Spain
	Spirax-Sarco Engineering SLU (H)	C/ Sant Josep, 130 08980 Sant Feliu de Llobregat, Barcelona, Spain
	Gestra Espanloa SA	Calle Luis Cabrera 86-88, 28002, Madrid, Spain
Sweden	Spirax Sarco AB	Evenemansgatan 40, 169 56 Solna, Sweden
Switzerland	Spirax Sarco AG	Gustav-Maurer-Strasse 9, 8702 Zollikon, Switzerland
Turkey	Spirax Sarco Valf Sanayi ve Ticaret A.S	Serifali Mevkii, Edep Sok No 27, 34775 Yukari Dudullu – Ümraniye, Istanbul, Turkey
United Arab Emirates	Spirax Sarco Trading LLC	38-0, R338 Um Hurair Second, Dubai, United Arab Emirates
United Kingdom	Spirax-Sarco Limited*	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax-Sarco America Limited (H)	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax-Sarco America Investments Limited* (H)	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax-Sarco Engineering Limited	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax-Sarco Investments Limited* (H)	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax-Sarco Overseas Limited* (H)	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax UK Pension Trustees Limited	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Gestra Holdings Limited* (H)	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Gestra UK Limited	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Cotopaxi Limited	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom

Key: * Direct subsidiary owned by Spirax Group plc

(H) Holding company

Steam Thermal Solutions – Asia Pacific

Country/Territory	Company name	Registered office address
Australia	Spirax Sarco Pty Limited	14 Forge St., Blacktown, NSW 2148, Australia
China	Spirax Sarco Company Limited	6F-3, No. 12, Lane 270, Sec. 3, Pei Shen Road, Shen Keng District, New Taipei City 22205, Taiwan, Greater China Zone
	Cotopaxi Energy Technology Development (Beijing) Co. Ltd	Room 506, Unit 101 Floor 2-7, Building No. 1, 3 Chuangda Road, Chaoyang District, Beijing, China 100102
	Spirax-Sarco Engineering (China) Limited	No 800 XinJun Ring Road, Pujiang Hi Tech Park, Shanghai, China
	Spirax Sarco Hong Kong Company Limited	Unit 1507, 15th Floor, Prosperity Center, 25 Chin Yip Street, Kwun Tong, Kowloon, Hong Kong, Greater China Zone
	Spirax Sarco Trading (Shanghai) Co Limited	No 800 XinJun Ring Road, Pujiang Hi Tech Park, Shanghai, China
	Gestra (Shanghai) Fluid Control Technology Co Limited	Room 333 3rd Floor of 4th Area Building 1, No.2001 North Yanggao Road China (Shanghai) Free Trade Pilot Zone, Shanghai, China
India	Spirax-Sarco India Private Limited	Plot No. 6, Central Avenue, Mahindra World City, Chengalpattu Taluk, Kancheepuram District 603004, India
Indonesia	PT Spirax Sarco Indonesia	Kawasan Infinia Park Blok C-99, Jl. Dr Sahardjo No. 45, Manggarai Tebet, Jakarta Selatan 12850, Indonesia
Japan	Spirax Sarco Godo Gaisha	261-0025, 2-37 Hamada, Mihama-ku, Chiba, Japan
Malaysia	Gestra Steam Solutions Sdn Bhd	18 Tidak Melebihi Baru Ditubuhkan, Malaysia
	Spirax-Sarco Sdn Bhd	No 10, Temasya 18, Jalan Pelukis U1/46A, 40150 Shah Alam, Selangor, Malaysia
New Zealand	Spirax Sarco Limited	6 Nandina Avenue, East Tamaki, Auckland 2013, New Zealand
Philippines	Spirax-Sarco Philippines Inc	2308 Natividad Building, Chino Roces Avenue Extension, Makati City, Philippines
Singapore	Spirax Sarco Pte Limited	21 Changi South Avenue 2, #01-01 Singapore 486630, Singapore
	Spirax-Sarco APAC Investments Pte Limited	21 Changi South Avenue 2, #01-01 Singapore 486630, Singapore
	Gestra Singapore Private Limited	21 Changi South Avenue 2, #01-01 Singapore 486630, Singapore
South Korea	Spirax Sarco Korea Limited	Steam People House, 99 Sadangro 30gil, Dongjak-gu, Seoul, Republic of Korea
Thailand	Spirax Sarco (Thailand) Limited	38 Krungthepkreeta Road, Khlong Song Ton Nun, Lat Krabang, Bangkok 10520, Thailand
Vietnam	Spirax Sarco Vietnam Co Limited	4th Floor, 180 Nguyen Van Troi Street, Ward 8, Phu Nhuan District, Ho Chi Minh City, Vietnam

Steam Thermal Solutions – Americas

Country/Territory	Company name	Registered office address
Argentina	Spirax Sarco SA	Av. del Libertador 498, 12th Floor, Buenos Aires C1001ABR, Argentina
Brazil	Spirax Sarco Ind e Com Limitada	Avenida Manoel Lages do Chão, 268, Bairro Portão, Cotia, São Paulo, 06705-050, Brazil
	Hiter Controls Engenharia Limitada	Avenida Manoel Lages do Chão, 268, Bairro Portão, Cotia, São Paulo, 06705-050, Brazil
Canada	Spirax Sarco Canada Limited	383 Applewood Crescent, Concord, ON L4K 4J3, Canada
Chile	Spirax-Sarco Chile Limitada	Las Garzas 930, Galpón E, Quilicura, Santiago de Chile, Chile
	Inversiones Spirax-Sarco Chile Limitada (H)	Las Garzas 930, Galpón D, Quilicura, Santiago de Chile, Chile
Colombia	Spirax Sarco Colombia SAS	Carretera Panamericana No 3-150, Jamundi, Valle del Cauca, Cali, Colombia
Mexico	Spirax Sarco Mexicana, SAPI DE CV	Boulevard Alianza 30B, Parque Industrial CPA, Ciénega de Flores Nuevo León, CP 65550, Mexico
Peru	Spirax Sarco Peru SAC	Av. Guillermo Dansey 2124, Lima, Lima, Peru
United States	Spirax Sarco Inc	1209 Orange Street, Wilmington, DE 19801, United States
	Sarco International Corp (H)	1209 Orange Street, Wilmington, DE 19801, United States
	Spirax Sarco Investments, Inc (H)	251 Little Falls Drive, Wilmington, DE 19808-1674, United States
	Gestra USA, Inc	1209 Orange Street, Wilmington, DE 19801, United States

Key: * Direct subsidiary owned by Spirax Group plc (H) Holding company

Electric Thermal Solutions

Country/Territory	Company name	Registered office address
Australia	Vulcanic TEE Pty Limited	7 Buckman Cl, Toormina NSW 2452, Australia
Belgium	Vulcanic SA	Uitbreidingstraat 60-62, 2600 Berchem, Belgium
Brazil	Chromalox Engenharia Limitada	Avenida Manoel Lages do Chão, 268, Bairro Portão, Cotia, São Paulo, 06705-050, Brazil
Canada	Canadian Heat Acquisition Corp (H)	7051 68th Ave NW, Edmonton, Alberta, T6B 3E3, Canada
China	Chromalox Precision Heat Control (Shanghai) Co Limited	88 Taigu Road, Suite A2, 4th Floor – Fenggu Building, Shanghai, 200131, China
	Chromalox Precision Heat Control (Suzhou) Co Limited	T02, No 1801, Pangjin Road, Pangjin Industrial Park, Wujiang, Suzhou, 215200, China
France	Constructions Electro-Thermiques D'Alsace SAS	42 Rue des Aviateurs, 67500 Haguenau, France
	Etirex SAS	23 Route de Château Thierry, Noyant-et-Aconin, Soissons, Cedex, F 02203, France
	Loreme SAS	12 Rue des Potiers d'Etain, 57070 Metz, France
	RS Isolec SAS	45 Avenue des Acacias, 45120 Cepoy, France
	Thermocoax Developpement SAS	40 Boulevard Henri Sellier, 92150 Suresnes, France
	Thermocoax SAS	Usine de Planquivon, Athis-de-l'Orne, 61430 Athis-Val de Rouvre, France
	Vulcanic Assets SAS (H)	48 Rue Louis Ampère, 93330 Neuilly-sur-Marne, France
	Vulcanic Group Holding SAS (H)	48 Rue Louis Ampère, 93330 Neuilly-sur-Marne, France
Germany	Chromalox Isopad GmbH	Englerstraße 11, 69126 Heidelberg, Germany
	Vulcanic GmbH	Donaustraße 21, 63452 Hanau, Germany
	Vulcanic Triatherm GmbH	Flurstraße 9, 96515 Sonneberg, Germany
India	Chromalox India Precision Heat and Control Private Limited	1st Floor, 6 Unicom House, A-3 Commercial Complex, New Delhi, Janakpuri, 110058, India
Mexico	ELW Industrial S. de R. L. de C.V.	Carretera Nacional, K.M. 8.5, Modulo Industrial de America, Lote #5, Nuevo Laredo, Tamaulipas, 88277, Mexico
Singapore	Chromalox Precision Heat and Control (Singapore) Pte Limited	No 11 Woodlands Close, #05-34, Singapore, 737854, Singapore
Spain	Vulcanic Termoelectrica SLU	Carretera de Viernoles no.32, 39300 Torrelavega, Cantabria, Spain
	RSI Spain SLU	5 Avenida Nogent, Montornes del Valle, Barcelona
Thailand	Chromalox (Asia Pacific) Limited	383/2, The Village Business Centre, Unit D16-A, Moo 12, Sukhumvit Road, Nongprue, Banglamung, Chon Buri, 20151, Thailand
United Arab Emirates	Chromalox Gulf DWC, LLC	PO Box 390012, Office No: E-2-0226, Business Park, Dubai Aviation City, United Arab Emirates
United Kingdom	Chromalox (UK) Limited	AMP House, 2nd Floor, Dingwall Road, Croydon, Surrey CR0 2LX, United Kingdom
	Thermocoax UK Limited	Tower House, Lucy Tower Street, Lincoln LN1 1XW, United Kingdom
	Vulcanic UK Limited	Windward Barn, Honningham Thorpe Business Park Norwich Road, Colton, Norwich NR9 5BZ, United Kingdom
United States	190 Detroit Street, LLC	2280 Hicks Rd., STE 500 Rolling Meadows, IL 60008, United States
	305 Cary Point, LLC	190 Detroit Street, Cary, IL 60013, United States
	325 Cary Point, LLC	190 Detroit Street, Cary, IL 60013, United States
	Cary Detroit, LLC	190 Detroit Street, Cary, IL 60013, United States
	Chromalox, Inc.	2711 Centerville Rd., Suite 400, Wilmington, DE 19808, United States
	Durex HoldCo Corp (H)	1209 Orange Street, Wilmington, DE 19801, United States
	Durex International, LLC	251 Little Falls Drive, Wilmington, DE 19808-1674, United States
	Heat Acquisition Corp (H)	2711 Centerville Rd., Suite 400, Wilmington, DE 19808, United States
Thermocoax, Inc	1209 Orange Street, Wilmington, DE 19801, United States	

Key: * Direct subsidiary owned by Spirax Group plc

(H) Holding company

Watson-Marlow Fluid Technology Solutions

Country/Territory	Company name	Registered office address
Australia	Watson-Marlow Pty Limited	5 Hexham Place, Wetherill Park, NSW 2164, Australia
Austria	Watson-Marlow Austria GmbH	Rathaus Viertel 3/1 OG/TOP 311, Guntramsdorf A 2353, Wien, Austria
Belgium	Watson-Marlow NV	Industriepark 5, B-9052 Zwijnaarde, Belgium
Brazil	Watson-Marlow Bredel Ind e Com de Bombas Limitada	Alameda Oceania, 63, Polo Empresarial Tamboré, Santana de Parnaíba, São Paulo, CEP 06543-308, Brazil
Canada	Watson-Marlow Canada Inc	383 Applewood Crescent, Concord, ON L4K 4J3, Canada
Chile	Watson-Marlow Bombas Chile Limitada	Las Garzas 930, Galpón E, Quilicura, Santiago de Chile, Chile
China	Shanghai Watson-Marlow Limited	Building 23, No. 3879, Dongchuan Road, Minhang District, Shanghai, China 200245
	Watson-Marlow Co Limited	No.9 Lane 270 Sec. Beishen Road, Shengkeng District, New Taipei City 222, Taiwan, Greater China Zone
Colombia	Watson-Marlow Colombia SAS	Carretera Panamericana No 3-150, Jamundi, Valle del Cauca, Cali, Colombia
Czech Republic	Watson-Marlow sro	Pražská 1455/18a, 102 00 Praha 10, Czech Republic
Denmark	Watson-Marlow Flexicon A/S	Frejasvej 2, 4100 Ringsted, Denmark
Finland	Watson-Marlow Finland Oy	Niittytie 25 A 24, 01300 Vantaa, Helsinki, Finland
France	Watson-Marlow SAS	9 Route De Galluis, Zi Les Croix, 78940 La Queue Lez Yvelines, France
Germany	Watson-Marlow GmbH	Kurt-Alder-Str. 1, 41569 Rommerskirchen, Germany
Hungary	Watson-Marlow Kft	Lajos ucta 30, Budapest 1023, Hungary
India	Watson-Marlow India Private Limited	Mahalaxmi Icon, S. No. 132/2A-3A, Near Sai HP Petrol Pump, Pune-Mumbai Bypass Road, Tathawade, Pune, Maharashtra, 411 033, India
Ireland	Watson-Marlow Limited	Unit 1013, Gateway Business Park, New Mallow Rd., Cork, Ireland
Italy	Watson-Marlow Srl	Via Padana Superiore 74/D, 25080 Mazzano, Brescia, Italy
Japan	Watson-Marlow Co Limited	4-23-21 Ukima Kita-ku, Tokyo 115-0051, Japan
Malaysia	Watson-Marlow SDN BHD	6th Floor, Akademi Etiqa No. 23 Jalan Melaka, 50100 Kuala Lumpur W.P., Malaysia
Mexico	Watson-Marlow S de RL de CV	Boulevard Alianza 30B, Parque Industrial CPA, Ciénega de Flores Nuevo León, CP 65550, Mexico
Netherlands	Watson-Marlow BV	Oslo 9 – 11, 2993LD Barendrecht, Netherlands
	Watson-Marlow Bredel BV	Sluisstraat 7, 7491 GA, Delden, Netherlands
	Watson-Marlow Bredel Holdings BV (H)	Sluisstraat 7, 7491 GA, Delden, Netherlands
New Zealand	Watson-Marlow Limited	Unit B, 6 Polaris Place, East Tamaki, Auckland 2013, New Zealand
Norway	Watson-Marlow Norge AS	Vestvollveien 14A, 2019 Skedsmokorset, Norway
Philippines	Watson-Marlow Inc	Unit 704 Coherco Financial Tower, Madrigal Business Park, Ayala Alabang, 1780 Metro Manila, Philippines
Poland	Watson-Marlow Sp Zoo	Al. Jerzego Waszyngtona 146, 04-076 Warszawa, Poland
Singapore	Watson-Marlow Pte Limited	Block 4010 Ang Mo Kio Industrial Park 1, #06-01/02, Singapore 569626
South Africa	Watson-Marlow Bredel SA (Pty) Limited	Unit 6 Cradleview Industrial Park, Cnr Beyers Naude Drive and Johan Street, Laser Park, South Africa
Spain	Watson-Marlow SLU	Tuset, 20 3 – 08006, Barcelona, Spain
Sweden	W-M Alitea AB	Hammarby Fabriksväg 29-31, SE-120 30 Stockholm, Sweden
Switzerland	Watson-Marlow AG	Gustav-Maurer-Strasse 9, 8702 Zollikon
United Arab Emirates	Watson-Marlow FZCO	Office Number FZJOA2005, Jafza One, Jebel Ali Free Zone, Dubai, United Arab Emirates
United Kingdom	Aflex Hose Limited	Dyson Wood Way, Bradley, Huddersfield HD2 1GZ, United Kingdom
	BioPure Technology Limited	Bickland Water Road, Falmouth, Cornwall TR11 4RU, United Kingdom
	Watson-Marlow Limited*	Bickland Water Road, Falmouth, Cornwall TR11 4RU, United Kingdom
United States	Watson-Marlow America Manufacturing Inc	37 Upton Drive, Wilmington, MA 01887, United States
	Watson-Marlow Inc	37 Upton Technology Park, Wilmington, MA 01887, United States
	Watson-Marlow Flow Smart Inc	1675 South State St., Suite B, Dover, DE 19901, United States

Key: * Direct subsidiary owned by Spirax Group plc (H) Holding company

Dormant companies

Country/Territory	Company name	Registered office address
Canada	Canadian Heat Holding Corp	6600-100 King Street W., 1 First Canadian Place, Toronto, Ontario M5X 1B6, Canada
France	Heat Holding France SAS	23 Route de Château-Thierry, 02200 Noyant-et-Aconin, Soissons, France
Hong Kong	Chromalox Hong Kong Holdings Limited (H)	33/F, Shui On Centre, Nos 6-8 Harbour Road, Wanchai, Hong Kong
United Kingdom	Gervase Instruments Limited*	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Heat Holding (UK) Limited	Lansdowne Building, 2 Lansdowne Road, Croydon CR9 2ER, United Kingdom
	SARCO Limited*	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Sarco Thermostats Limited	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax Manufacturing Company Limited	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax-Sarco Europe Limited*	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
	Spirax-Sarco International Limited*	Charlton House, Cirencester Road, Cheltenham, Gloucestershire GL53 8ER, United Kingdom
United States	Heat Asset Acquisition Corp	251 Little Falls Drive, Wilmington, DE 19808-1674, United States
	Mexican Heat Holding Corp	c/o RA PO Box 20380, Carson City, Nevada 89706, United States
	Mexican Heat Holding, LLC	160 Greentree Dr., Suite 101, Dover, Delaware 19904, United States
	Ogden Manufacturing Co	2711 Centerville Rd., Suite 400, Wilmington, DE 19808, United States

Key: * Direct subsidiary owned by Spirax Group plc (H) Holding company

The global operations listed on pages 223 to 227 are registered companies. All shares unless otherwise indicated are ordinary shares.

In addition to these operations, there are a number of other operating units, including an Associate company; a company that is part owned with a third-party trust; branches of STS or WMFTS companies; and several WMFTS companies that operate via STS Business companies. The Spirax Group Education Fund, established in 2021, is not included in the Consolidated Financial Statements as under IFRS 10 the Group does not have control of this fund.

Details of these operations can be found on page 228.

Notes

1. All subsidiaries in the tables on pages 223 to 227 are indirect subsidiaries of Spirax Group plc, unless indicated*. All subsidiaries listed are ultimately 100% owned by the Group, except as follows:

Company	% owned by the Group
Spirax Sarco Energy Solutions LLC,	98.992%
Spirax Sarco Korea Ltd	98.7%
Spirax-Sarco Philippines Inc	99.9994%
Spirax Sarco Services SA PTY Limited	48.5%. (51.5% is owned by a third-party trust, The Tomorrow Trust). The Group has control of the company and exposure, or rights, to variable returns from this investment in the investee.
Spirax Sarco (Thailand) Ltd	99.995%

2. In addition to the subsidiaries in the tables on pages 223 to 227, the Group has the following operations:

Steam Thermal Solutions:

Country	Operating as a branch of
Cambodia	Spirax Sarco Pte Limited, Singapore
Denmark	Spirax-Sarco Limited, UK
Ghana	Spirax-Sarco Limited, UK
Greece	Spirax-Sarco Limited, UK
Ireland	Spirax-Sarco Limited, UK
Pakistan	Spirax-Sarco Limited, UK
Saudi Arabia	Spirax-Sarco Limited, UK
Slovakia	Spirax Sarco Spol. s.r.o.
Sri Lanka	Spirax-Sarco India Private Limited, India
Tanzania	Spirax-Sarco Limited, UK
Uganda	Spirax-Sarco Limited, UK
Zambia	Spirax Sarco South Africa (Pty) Limited, South Africa

Watson-Marlow Fluid Technology Solutions:

Country	Operating as a branch of
Serbia	Watson-Marlow Austria GmbH
	Operating via
Argentina	Spirax Sarco SA, Argentina
China	Spirax-Sarco Engineering (China) Limited
Indonesia	PT Spirax-Sarco Indonesia
South Korea	Spirax Sarco Korea Limited
Thailand	Spirax Sarco (Thailand) Limited
Vietnam	Spirax Sarco Vietnam Co Limited

This complete list of our global operations, including subsidiaries, forms part of the audited Company Financial Statements. For more information see Note 2 in the Company Financial Statements.

3. UK registered subsidiaries exempt from audit:

Company name	Company number
BioPure Technology Limited	03665190
Chromalox (UK) Limited	04325451
Cotopaxi Limited	07038605
Gestra UK Limited	10639879
Spirax-Sarco America Limited	07829847
Spirax-Sarco Investments Limited	00100995
Spirax-Sarco Overseas Limited	01472201
Gestra Holdings Limited	11612492
Spirax-Sarco America Investments Limited	11639451
Heat Holding (UK) Limited	04325456
Aflex Hose Limited	01088141
Vulcanic UK Limited	07194498

The companies listed above qualify to take the statutory audit exemption as set out within Section 479A of the Companies Act 2006 for the period ended 31 December 2025. Spirax Group plc will guarantee the debts and liabilities of the companies claiming the statutory audit exemption in accordance with Section 479C of the Companies Act 2006.

4. Spirax Group plc indirectly holds 12% of the Ordinary shares of Sustainable Process Heat GmbH (registered office: Zur Kaule 1, 51491 Overath, Germany) via Spirax-Sarco Germany Holdings GmbH.



Company Secretary and registered office

Céline Barroche
Group General Counsel and Company Secretary
Spirax Group plc
Charlton House
Cirencester Road
Cheltenham
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Email: group.legal@spiraxgroup.com

Web: spiraxgroup.com

Registered Number

00596337

Legal Entity Identifier Code

213800WVZQMHOZP2W17

Auditor

Deloitte LLP

Financial advisers

Rothschild

JP Morgan Securities plc (JP Morgan Cazenove)

Financial PR

Teneo

Bankers

Barclays Bank PLC

BNP Paribas S.A

Citibank, N.A

HSBC Bank PLC

Crédit Industriel et Commercial S.A

ING Bank, N.V.

UniCredit Bank AG

Wells Fargo Bank, N.A.

Corporate brokers

JP Morgan Securities plc (JP Morgan Cazenove)

Morgan Stanley & Co. International plc

Solicitors

Baker & McKenzie LLP

Registrars

The Company's Registrar is Equiniti Limited.

Enquiries relating to the administration of shareholdings should be directed to:

Equiniti

Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA

Telephone: +44 (0)371 384 2349

(if calling from outside the UK, please ensure the country code is used)

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FINANCIAL CALENDAR

Annual General Meeting

13 May 2026

2026 Half Year Results

11 August 2026

Final dividend*

Ordinary shares quoted ex-dividend 23 April 2026

Record date for final dividend 24 April 2026

Final dividend payable 22 May 2026

* Subject to shareholder approval at the AGM



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