

Group Sustainability Policy

2023

Introduction

Spirax Group (“Group” or “Company”) is a multi-national thermal energy management and niche pumping specialist. We are committed to operating responsibly and sustainably to ensure that we deliver our Company Purpose to create sustainable value for all our stakeholders as we engineer a more efficient, safer and sustainable world. The Group Sustainability Policy outlines our key commitments to operating sustainably, as found in our One Planet: Engineering with Purpose Group Sustainability strategy, and should be read in conjunction with the related policies and documents that are referred to throughout this Policy.

Scope

This Policy applies to all Group Functions, Operating Companies and colleagues of Spirax Group. While these standards and commitments guide our own operations, we also encourage suppliers and partners to abide by the standards outlined in this Policy.

Environmental Management

Wherever we operate we will comply with all relevant environmental legislation. If our Company standards are higher than local standards, we will operate to the higher set of standards.

We will undertake our operations in an environmentally responsible manner, working to prevent, control or mitigate any potential environmental impacts, having suitable management systems and procedures in place to prevent pollution, manage waste and minimise resource consumption. We will also manage our operations to minimise negative impacts on biodiversity and will seek to have a positive impact through strategic partnerships and local biodiversity initiatives. Group Functions, Operating Companies and colleagues are required to comply with our *Group Environmental and Energy Policy*.

When commissioning new facilities, environmental performance will be prioritised as well as delivering a biodiversity net gain.

We will monitor, measure and report on environmental key performance indicators, disclosing key metrics in our Annual Reports. Group Functions (where applicable) and Operating Companies must follow the requirements for reporting as outlined at a Group and Business level.

Related Policies/Documents:

- Group Environmental and Energy Policy

Climate Action

To deliver progress against our net zero targets, we will seek to reduce energy use within our operations through a range of measures including the efficient operational control of plant and equipment, investing in energy optimising technologies and incorporating energy efficiency into the design of new buildings and refurbishments. Group Functions, Operating Companies and colleagues are required to comply with our *Group Environmental and Energy Policy*.

Additionally, we will reduce greenhouse gas emissions through a transition to electricity sourced or self-generated from renewables, upgrade our fleet to electric vehicles and substitute fossil fuel intensive process equipment with low carbon alternatives, wherever possible. All colleagues are encouraged to make low carbon travel decisions, as outlined in the *Group Low Carbon Travel Policy and Guidelines*.

We will monitor, measure and report on energy consumption and greenhouse gas emissions across our Group and report these publicly. Group Functions (where applicable) and Operating Companies must follow the requirements for reporting as outlined at a Group and Business level.

Related Policies/Documents:

- Group Environmental and Energy Policy
- Group Low Carbon Travel Policy and Guidelines

Customer Sustainability

We will design and manufacture products and engineered solutions and deliver services that enable customers to reduce their environmental impacts and deliver quantifiable sustainability benefits. We will extend the quantification and public reporting of those sustainability benefits over time.

When designing new products, we will apply eco-design principles. We will use Life Cycle Assessments on selected products to inform product development and product innovation processes.

Supply Chain Sustainability

Our Supplier Sustainability Code outlines the minimum standards that we require from suppliers.

In accordance with agreed criteria, including a minimum annual spend, existing and all new direct material suppliers are required to sign the Supplier Sustainability Code.

We will use our Supplier Portal to monitor supplier sustainability performance, inform supplier selection decisions and engage with suppliers, if necessary, to raise standards. If suppliers are found to be operating below our minimum standards and are unwilling or unable to improve within an agreed timeframe, and in the case of severe breaches of the Code, we will take appropriate action up to and including immediate exit of the supplier.

Operating Companies should comply with the *Supplier Sustainability Code Policy and Guide*.

Related Policies/Documents:

- Supplier Sustainability Code
- Supplier Sustainability Code Policy and Guide

Community Wellbeing

We will seek to improve the wellbeing of people in our local communities, while addressing global sustainability challenges such as poverty, hunger, access to education, inequality, climate change and biodiversity loss.

We will support our communities through employee volunteering and through cash and in-kind donations made by our Group Functions, Operating Companies, colleagues and the Spirax-Sarco Engineering Charitable Fund. The *Group Employee Volunteering Policy* and the *Group Charitable Donations Policy* guide our volunteering and charitable giving.

Through our Spirax-Sarco Engineering Group Education Fund (Group Education Fund), we will promote inclusive and equitable access to education in the communities in which we operate. All Group Functions and Operating Companies are eligible to apply to the Group Education Fund to request a grant to support an education need in their local community.

Related Policies/Documents:

- Group Employee Volunteering Policy
- Group Charitable Donations Policy

Stakeholders

We recognise multiple stakeholder groups and commit to open and transparent communication and stakeholder engagement, ensuring that we operate in a way that creates sustainable value for all.

Sustainability Management

Our management structures will be maintained to ensure that our sustainability performance is given appropriate oversight, attention and resource.

Our Board of Directors is responsible for overseeing performance and ensuring that management gives appropriate attention to sustainability strategy, performance and risk management. The Group Executive Committee is responsible for the central oversight of strategy, performance and risk management, and will hold Group Functions and Businesses accountable for their delivery of our strategic agenda and performance. Across the Group, senior managers are responsible for ensuring that we operate in accordance with this Policy and the policies referenced throughout, and for ensuring that colleagues are aware of and understand their responsibility to comply with it.

Ultimately, our ability to operate sustainably is dependent on all Group colleagues taking responsibility for implementing and applying this Policy in all their activities within the Group.

Responsible Business Foundations and Company Values

Our Sustainability Policy is underpinned by our Responsible Business Foundations and Company Values. Wherever we operate, we do so responsibly, ethically and in accordance with our Values.