

Spirax Group Gender Pay Gap Report 2023

4 April 2024

Introduction

Spirax Group – the rebranded name for Spirax-Sarco Engineering

On 22 February 2024, Spirax-Sarco Engineering rebranded to Spirax Group. The Group is also proposing to change its legal name in alignment to Spirax Group plc, subject to shareholder approval at the Company's AGM in May 2024.

This change reflects the development over many years into a Group of three aligned Businesses with differentiated and complementary capabilities:

- Steam Thermal Solutions (formerly Steam Specialties)
- Electric Thermal Solutions
- Watson-Marlow Fluid Technology Solutions

Spirax Group – pay gap reporting entities

This 2023 Gender Pay Gap Report continues to provide the calculation outcomes across the three UK subsidiaries meeting the statutory reporting requirements under the regulations, using their rebranded names. The subsidiary company results included in this report are:

- **Spirax-Sarco Ltd** – part of Steam Thermal Solutions
- **Watson Marlow Ltd** – part of Watson-Marlow Fluid Technology Solutions
- **Aflex Hose Ltd** – part of Watson-Marlow Fluid Technology Solutions

In addition, voluntary disclosure for the combined UK colleague workforce is made as **Spirax Group**, comprising all c. 2,500 employees across the three Businesses, including colleagues from the Electric Thermal Solutions Business who would otherwise not be captured under the statutory reporting requirements.

Executive Summary

We are pleased to report continued improvements in both the increased representation of women in the Group and the reduction in pay gaps. In particular:

- Spirax Group's mean and median pay gaps have again reduced to 8.6% (-3.3% on 2022) and 7.8% (-1.5% on 2022) respectively
- Spirax Group has made improvements in reducing the Gender Pay Gap since it first started reporting its results in 2017, when the mean and median pay gaps were 17.4% and 21.1% respectively
- The continued focus on inclusive recruitment practices across all levels, including at the executive level, has seen the proportion of women employed by the Group continue to increase over this period, rising from c. 20% of the UK workforce in 2017 to now nearly 30% of the workforce in 2023

- Increases in female representation at the most senior levels has resulted in the percentage of women in the upper quartile pay band of the Group increase from 12% in 2017 to 23% in 2023

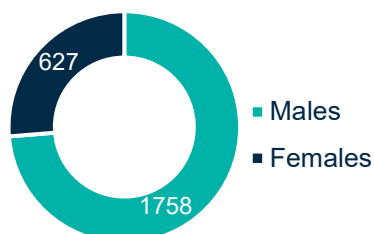
Background

As referenced above, Spirax Group has three UK subsidiaries which meet the more than 250 employees statutory reporting threshold: Spirax-Sarco Ltd, Watson-Marlow Ltd and Aflex Hose Ltd.

We have additionally chosen to voluntarily disclose consolidated Group figures for Spirax Group's entire UK workforce. Three UK subsidiaries; BioPure Technology Ltd (part of Watson-Marlow Fluid Technology Solutions), Chromalox UK Ltd (part of Electric Thermal Solutions) and Gestra UK Ltd (part of Steam Thermal Solutions) continue to be included within these consolidated results for Spirax Group. Two further subsidiaries, in the Steam Thermal Solutions and Electric Thermal Solution Business respectively are new for the 2023 Gender Pay Gap and have UK colleagues; Cotopaxi Ltd and Vulcanic UK Ltd also do not meet the statutory reporting threshold.

Spirax Group, consolidated data for all UK operations¹

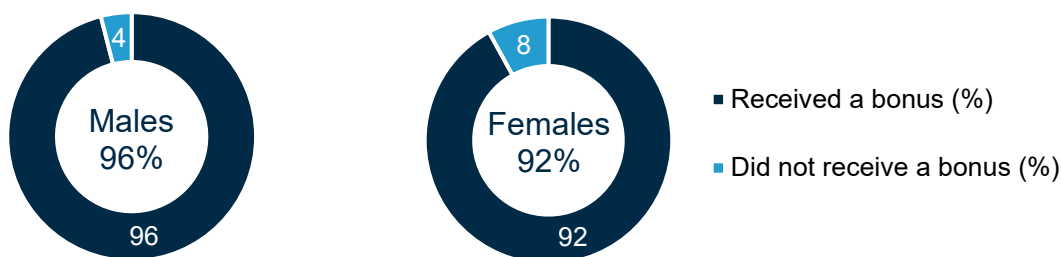
Total number of employees:



The hourly gender pay gap contained in this report was calculated as at 5 April 2023 and bonus data from bonuses paid in the 12 months prior to that date. On 5 April 2023, Spirax Group's UK operations employed 2,545 people of whom 1,868 were male (73%) and 677 were female (27%).¹

	Difference between male and female	
	Mean	Median
Hourly fixed pay gap	8.6%	7.8%
Bonus pay gap	73.9%	0%

Proportion of employees who received a bonus for 2023 (%)



Comparison to 2022

Spirax Group CONSOLIDATED	Hourly Pay Gap		Bonus Pay Gap	
	Mean	Median	Mean	Median
2023	8.6%	7.8%	73.9%	0.0%
2022	73.9%	0%	68.7%	22.2%

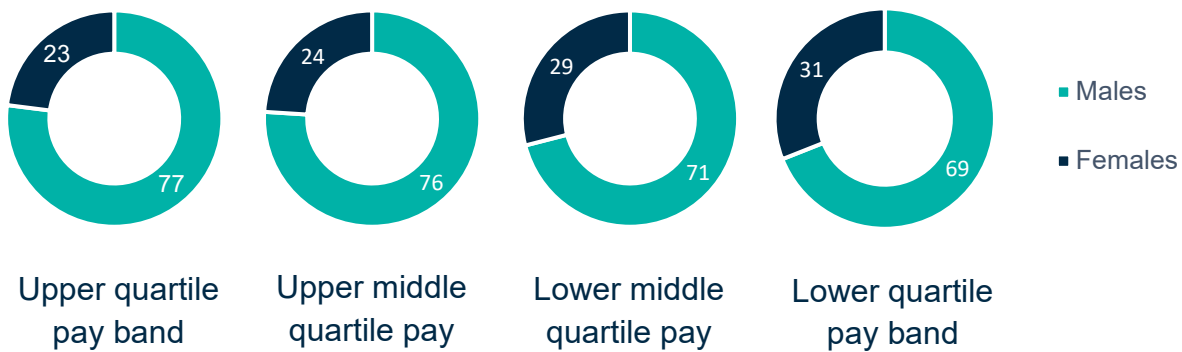
¹ Consolidated data includes all employees including two Spirax Group PLC Executive Directors and five UK subsidiary companies not reported separately.

Our mean hourly pay gap has dropped by 3.3 percentage points since 2022, and the median hourly pay gap has fallen by 1.5 percentage points. As a proportion of our total employees since 2020 we have seen incremental increases in the proportion of female staff – 27% in 2023 up from 22% in 2020. Female representation across pay quartiles has continued to increase with 47% of our female population now in the upper half of our pay profile; a significant increase since 2020 when it was at 32% and 28% in 2017. The introduction of two females on the Group Executive Committee, across 2022 – 2023 has positively contributed to these improvements.

The bonus pay gap has increased slightly, driven by lower bonus pay outs group wide in 2023 based on financial year 2022 impacting almost all of our colleagues. The relative value of our most senior directors’ bonuses (largely male) whilst unchanged per policy has therefore widened the bonus pay gap.

Analysing Spirax Group’s UK pay gap

Proportion of males and females in each pay quartile (%)



How Spirax Group is continuing to address its UK gender pay gap:

Gender equity remains a key focus of our approach to inclusion. Following the launch of our global inclusion plan, ‘Everyone is Included’, and our Group Inclusion Commitments in 2022, we introduced our Group Diversity Goals in 2023. Recognising the value that diverse teams bring to our Business, these goals widen our focus on gender and introduce new aspirations to increase the ethnic diversity of our colleagues, also helping us to better reflect the diversity of the communities we are part of. By December 2025, for example, our ambition is to achieve:

- 40% women in senior leadership (including each of our Board, Group Executive Committee (GEC) and GEC direct reports communities)
- 20% women in commercial leadership roles (such as Regional General Manager, General Manager, Country Manager and Plant Manager)
- 30% women in our global workforce

We also committed to achieve 50% women joining our global graduate programme each year, and again achieved this in our September 2023 cohort.

Recognising the strategic significance of digital strategy, Maria Wilson was appointed to our Group Executive Committee (GEC) as Group Digital Director in 2023. In December 2023, we then announced the appointment of Louisa Burdett as Group Chief Financial Officer (CFO) and Executive Director, following Nimesh Patel's move from Group CFO to Group Chief Executive Officer in January 2024. Louisa will join the Group in this role from July 2024. Nimesh continues his role as co-Chair of the FTSE Women Leaders Review in the UK, championing gender diversity in the FTSE 350 and with the UK's 50 largest private companies.

In February 2024, we also announced the appointment of Céline Barroche as Group General Counsel and Company Secretary to the Board, as well as a member of the GEC, following the upcoming retirement of Andy Robson.

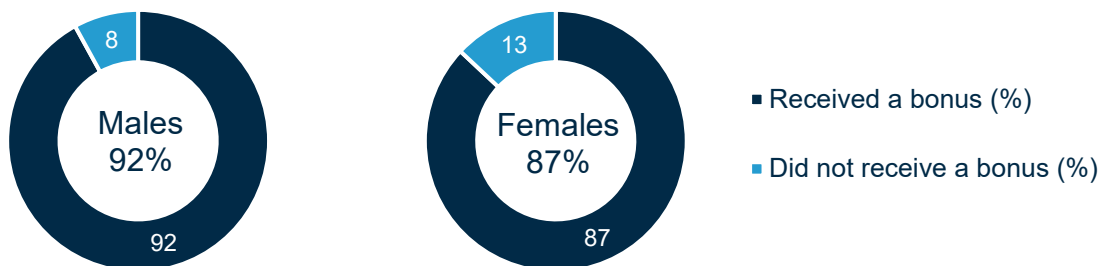
In support of our gender equity journey, we continued our Women's Executive Mentoring Programme and our partnerships with Women in Science and Engineering (WISE) and the Women's Engineering Society (WES) in 2023. Our global Women's Network also continued to connect and support women and allies across the Group. This included marking International Women's Day with a global webinar on 'embracing equity'; menopause awareness training, and activity covering wide-ranging topics such as endometriosis and menstrual health, psychological safety, career development, and allyship across genders. The Network also began a 'Women in Leadership' series of webinars to explore career paths of senior women in our Business.

Spirax-Sarco Ltd (part of Steam Thermal Solutions)

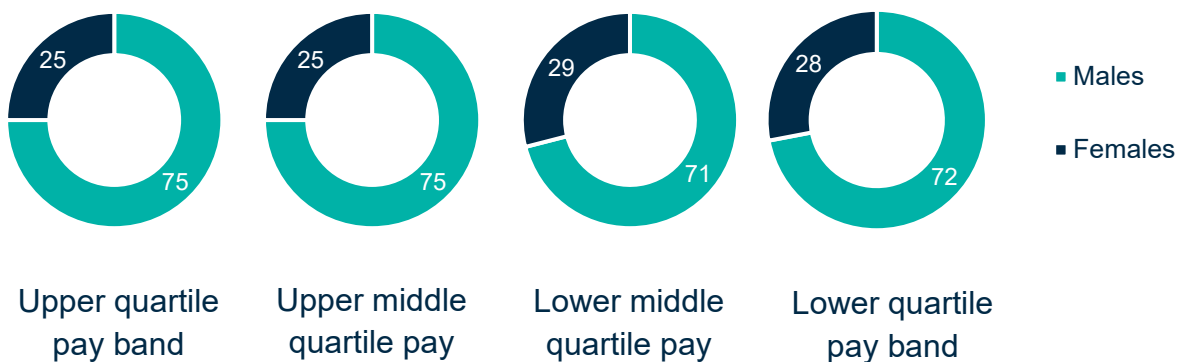
On 5 April 2023, Spirax-Sarco Ltd comprised 1,246 employees of whom 915 were male (73%) and 331 were female (27%).²

	Difference between male and female	
	Mean	Median
Hourly fixed pay gap	10.0%	7.6%
Bonus pay gap	78.5%	-0.5%

Proportion of employees who received a bonus for 2023 (%)



Proportion of males and females in each pay quartile (%)



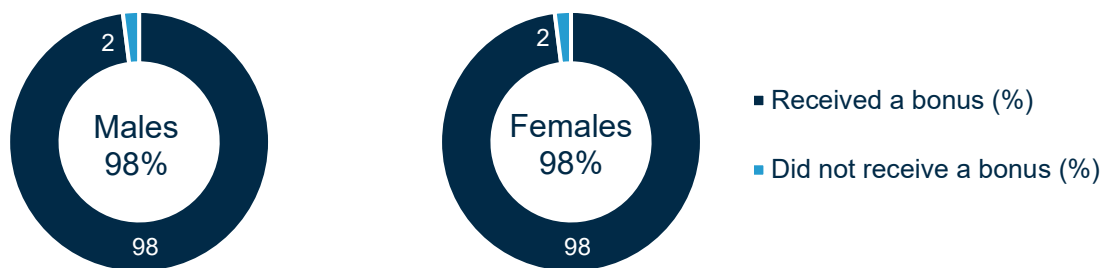
² Spirax-Sarco Ltd's data includes two Spirax-Sarco Engineering plc Executive Directors.

Watson-Marlow Ltd (part of Watson Marlow Fluid Technology Solutions)

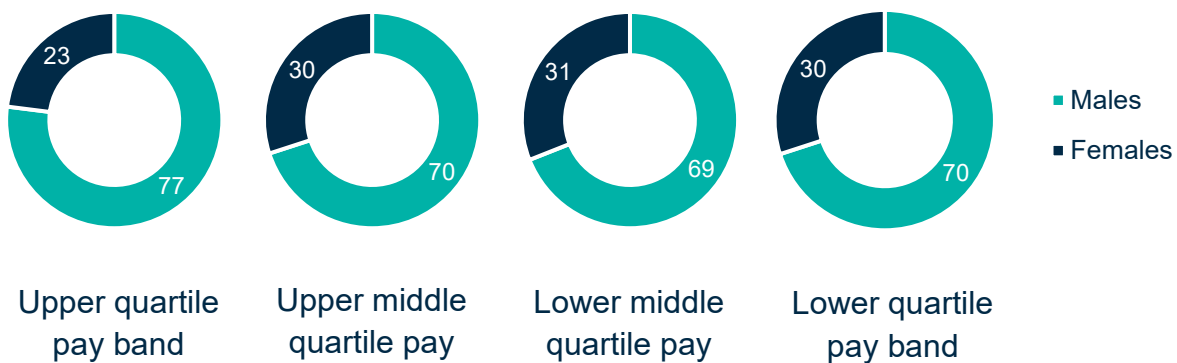
On 5 April 2023, Watson-Marlow Ltd employed 669 people, of whom 478 were male (71%) and 191 were female (29%).

	Difference between male and female	
	Mean	Median
Hourly fixed pay gap	5.5%	6.8%
Bonus pay gap	7.6%	0.0%

Proportion of employees who received a bonus for 2023 (%)



Proportion of males and females in each pay quartile (%)

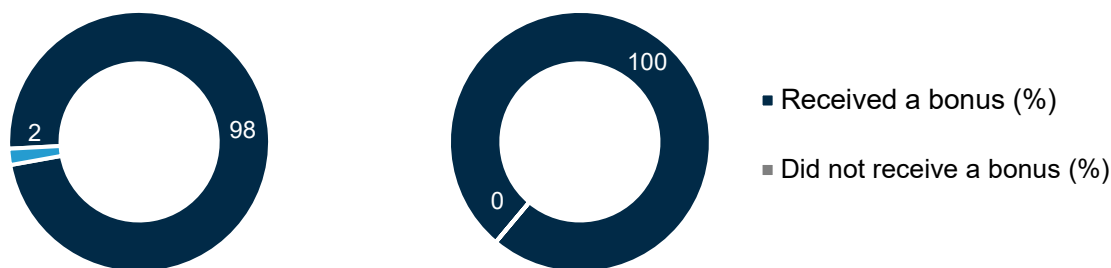


Aflex Hose Ltd (part of Watson Marlow Fluid Technology Solutions)

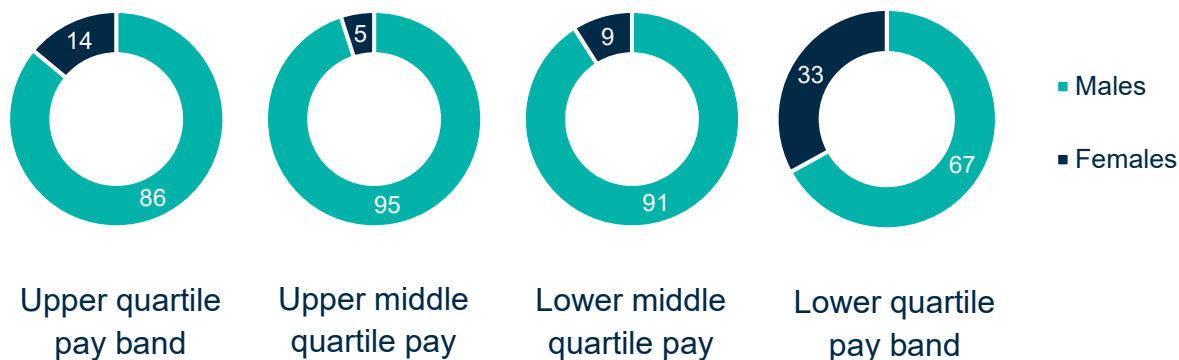
On 5 April 2023, Aflex Hose Ltd employed 347 people, of whom 300 were male (86%) and 47 were female (14%).

	Difference between male and female	
	Mean	Median
Hourly fixed pay gap	7.4%	13.1%
Bonus pay gap	56.9%	0.0%

Proportion of employees who received a bonus for 2023 (%)



Proportion of males and females in each pay quartile (%)



Statement

The data contained in this report has been calculated using the mechanisms set out in the gender pay gap reporting legislation and in line with mandatory requirements.

Signed:

Jim Devine
Group HR Director, Spirax Group
4 April 2024