

smiths

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SUSTAINABILITY AT SMITHS

CAPITAL MARKETS EVENT – 17 NOVEMBER 2021

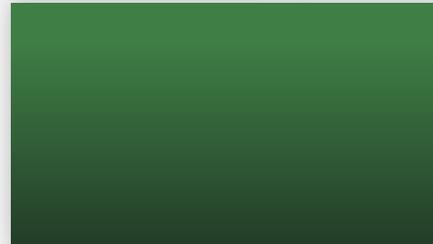
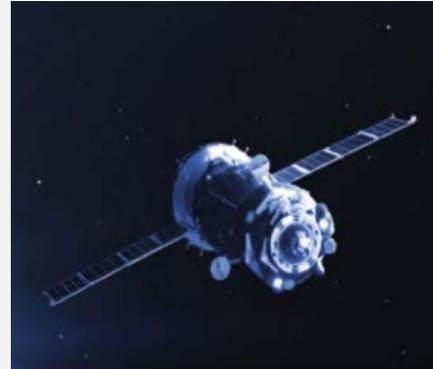


EXECUTIVE VICE PRESIDENT
ENERGY TRANSITION

AMY SIMPSON

Global Context: the vital importance of sustainability

- Smiths is committed to sustainability with solid fundamentals and a longstanding focus on reducing our environmental impact
- We drive improvements for customers in longevity, efficiency, integrity and resilience through smart engineering
- We need to do more: pathways to reduce emissions require urgent action by industry, government & society:
 - Accelerate clean electrification
 - Minimise methane leaks
 - Realise potential of energy efficiency
 - Boost clean energy innovation
- Building on our core capabilities, supporting customer needs through the energy transition is a significant growth opportunity for Smiths



Smiths Value Engine

OUR PURPOSE



PIONEERS OF PROGRESS

Improving our world through smarter engineering

OUR STRENGTHS



World-Class Engineering



Leading Positions in Critical Markets



Global Capabilities



Robust Financial Framework

OUR PRIORITIES



Growth



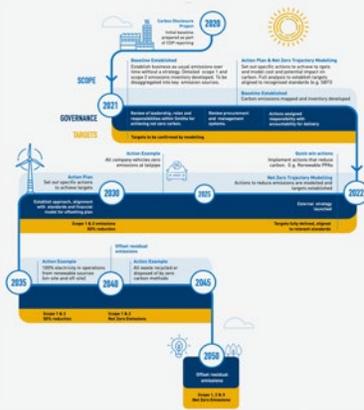
Execution



People

15 years of progress

Visible roadmap to Net Zero



Engaging our people



Continued alignment with TCFD



Taskforce on Climate-related Financial Disclosure



“Nurture” environmental campaign



→ Environmental progress since 2007



Greenhouse Gas Emissions –
Reduced by 60%



Renewable Electricity –
Increased to 58%



Energy Usage –
Reduced by 38%



Water Usage –
Reduced by 53%



Non-Recyclable Waste –
Reduced by 62%



Driving further improvement through smarter engineering

JOHN CRANE

Mission-critical flow control solutions

- Efficient, reliable energy
- Asset integrity and longevity
- CCUS, blue hydrogen
- Water conservation and purification



SMITHS DETECTION

Detection and screening technologies for safety, security and freedom of movement

- Biodefence, mail screening, evolving terror threats
- Rapid testing
- Food safety



FLEX-TEK

Safe and efficient movement of liquids and gases

- Housing and commercial buildings
- Healthcare components



SMITHS INTERCONNECT

High-speed, secure connectivity in critical applications

- Rail
- Commercial aircraft
- Outer space



Our recent progress, targets and commitments

Progress & Commitments

1. Sustainability committee established at Board level, chaired by senior Board member
2. Executive compensation is linked to sustainability targets
3. Dedicated Chief Sustainability Officer (CSO) to drive sustainability strategy and targets through business
4. Supporting and amplifying Global Commitments
 - Stronger, more visible communications
 - Meet commitments: Business Ambition for 1.5C – UN Race to Zero



→ Environmental Targets 2024



Greenhouse Gas Emissions
- **Reduce GHG by further 5%**

Renewable Electricity
- **Increase renewables use to > 63%**



Water Usage
- **Decrease by 5% in stressed areas**

Water reduction projects
- **New target: 10 projects per year**



Non-Recyclable Waste - **Reduce waste by further 5%** with each division reducing product packaging

- Complete DfS assessments
- Establish packaging baseline
- **New target: 8 projects per year**

Re-energised team focused on sustainability excellence

Smiths Executive Team



Paul Keel
CEO

Sustainability Advisors



Sir Kevin Tebbit
SVP Corporate Affairs



Mel Rowlands
Group General Counsel



Tim McGraw
VP Global HSE



John Ostergren
Chief Sustainability Officer



Sheena Mackay
Group HR Director



John Shipsey
CFO



Jean Vernet
President,
John Crane



Roland Carter
President,
Smiths Detection



Julian Fagge
President,
Smiths Interconnect



Pat McCaffrey
President,
Flex-Tek



Tony Tielen
Group Operational
Excellence Director

Smiths Board

Science, Sustainability & Excellence Committee



Dame Ann Dowling
SSE Committee Chair



Sir George Buckley
Chairman



Karin Hoeing
Non-Executive
Director



Pam Cheng
Non-Executive
Director

Sustainability represents a strong growth opportunity for each of our businesses

JOHN CRANE

Mission-critical flow control solutions

- Increased efficiency
- Water conservation
- Methane reduction
- CCUS
- Energy transformation
- Green hydrogen
- Concentrated solar
- Filtration for polymer recycling



SMITHS DETECTION

Detection and screening technologies for safety, security and freedom of movement

- Evolving terror threats
- Rapid testing
- Energy efficient cooling solutions
- Improving aviation efficiency
- Minimising crop loss



FLEX-TEK

Safe & efficient movement of liquids and gases

- Healthcare components
- Increasing efficiency in jet engine design
- Air quality sensing
- Green steel



SMITHS INTERCONNECT

High-speed, secure connectivity in critical applications

- Electrification
- Smart systems for urbanisation
- Efficient healthcare systems



We are shifting gear to accelerate growth and multiply our sustainability influence

→ Smiths is striving for best-in-class sustainability performance

→ Committed to multiply our influence through value chain

→ Re-energised with new CSO and Board committee

→ Long term incentives on sustainability targets to drive sustainable business

→ Tremendous growth opportunity in serving customer sustainability needs





THANK YOU