

Investment case

Compounding sustainable profitable growth

Purpose-led strategy

Delivering improved margins and sustainable, profitable growth

Through-cycle resilience

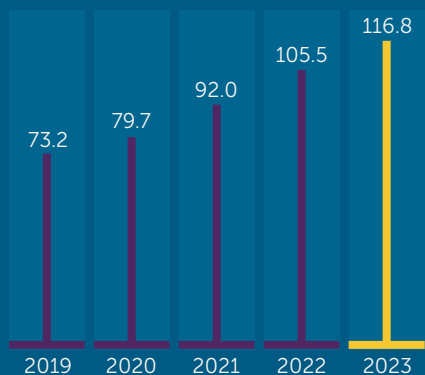
Harnessing our expertise in fluid and motion control engineering, with exposure to structural growth markets and around 45% of sales coming from the aftermarket

Our sustainable solutions

Enabling the energy efficiency, sustainability and safety of our customers

Adjusted basic earnings per share (p)

 **12%**
growth CAGR since 2019



11
applications from Growth Hub
with > £1m orders

29%
carbon intensity reduction since 2019

Strong balance sheet

Offering strategic flexibility whilst maintaining financial discipline

Financial framework through-cycle

Organic growth

5%

Adjusted
operating margin

20%

Cash conversion

90%

Return on
invested capital

>12%

Capital allocation

Organic growth

- R&D as a percentage of sales >3%
- Capital spend to depreciation 1.1-1.2x
- Growth Hub 50+ projects

M&A

- Better world growth
- Year 3 returns >WACC%
- Year 5 returns ~ Group ROIC%

Attractive growth markets

Aligning the Group to markets supported by global macro-trends with our better world purpose

Sector	Process Automation	Industrial Automation	Climate Control	Life Science & Fluid Control	Transport
Market growth trends	<ul style="list-style-type: none"> - Energy security - Decarbonisation - Efficiency & safety 	<ul style="list-style-type: none"> - Labour productivity & shortages - Reshoring - Mass customisation 	<ul style="list-style-type: none"> - Energy efficiency & comfort - Smart buildings - Regulation 	<ul style="list-style-type: none"> - Demographics - Healthcare demand - Scientific advances 	<ul style="list-style-type: none"> - Emissions reduction - Safety & comfort - Regulation
Organic revenue growth target	5%	5%	5%+	5%-10%	3%-5%