

## Sustainability review: TCFD

### We continue to embrace and embed TCFD reporting

We believe that companies should be transparent about how they plan to mitigate and be resilient in the face of climate change and enable a just transition. The disclosures set out in the narrative on pages 49 to 54 are consistent with the four recommendations and 11 recommended disclosures set by the Task Force on Climate-related Financial Disclosures (TCFD). The table below also provides references to where you can find more information on our climate-related actions throughout our Annual Report. In preparing our disclosure, we have taken into account the 2021 TCFD Annex (where appropriate).

Pillar/description	Recommendation	Reference points <sup>1</sup>	
<b>Governance</b> Disclose the organisation's governance around climate-related risks and opportunities.	Describe the Board's oversight of climate-related risks and opportunities.	<b>Governance section – page 49</b> Governance framework – page 80 Safety, Sustainability and Technology Committee report – pages 97-98	Compliance Scorecard – page 104 ESG measures (Audited) – pages 135-136
	Describe management's role in assessing and managing climate-related risks and opportunities.	<b>Governance section – page 49</b> Governance framework – page 80	
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<b>Strategy section – pages 49-50</b> <b>Risks and opportunities – pages 53-54</b> Risk management – page 61	
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<b>Strategy section – page 50</b> <b>Transition Plan – page 52</b> <b>Risks and opportunities – pages 53-54</b> Sustainability strategy – page 22	Viability statement – pages 71-72 Financial Statements: Basis of preparation – page 168
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<b>Strategy section – page 50-51</b> <b>Risks and opportunities – pages 53-54</b> Strategic progress: Technology – pages 26-27	Board activities and principal decisions – page 82
<b>Risk management</b> Disclose how the organisation identifies, assesses and manages climate-related risks.	Describe the organisation's processes for identifying and assessing climate-related risks.	<b>Risk management section – page 51</b> Strategy section – page 50-51	Risk management – page 61
	Describe the organisation's processes for managing climate-related risks.	<b>Risk management section – page 51</b> Strategy section – page 49-50 Risks and opportunities – pages 53-54	Risk management – page 61 Technology principal risk – page 64 Market principal risk – page 67
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	<b>Risk management section – page 51</b> Risk management – page 61	Risk management roles and responsibilities – page 62 Climate principal risk – page 68
<b>Metrics and targets</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<b>Metrics and targets section – page 51-52</b> Strategic progress – pages 26-31 Key Performance Indicators – page 36	Transition Plan – page 52 Risks and opportunities – pages 53-54 ESG measures (audited) – page 135-136
	Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	<b>Metrics and targets section – page 51-52</b> Avoided emissions – page 47	Transition Plan – page 52 Scope 1, 2 and 3 GHG emissions – pages 55-56
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<b>Metrics and targets section – page 51-52</b> <b>Transition Plan – page 52</b> Strategic progress – pages 26-31	

1. Bold = TCFD consistent disclosure; Standard = additional information.

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### Governance

The climate-related governance structure for 2024 is summarised below and aligns with the underlying Group model on page 80.

### Board

Weir Group's purpose is to enable the sustainable and efficient delivery of the natural resources essential to create a better future for the world. The Board considers climate-related issues when setting annual budgets and business plans and overseeing major capital expenditure, acquisitions and divestments.

Any changes to the Company's purpose, strategy and values, including in relation to the climate-related aspects of these topics, are reserved for the Board for approval in accordance with the matters reserved to the Board.

The Board is responsible for reviewing and guiding the risk management process. Climate has been identified as a principal risk for the Group with updates provided to the Board three times a year.

### Safety, Sustainability and Technology Committee

The Board has established a Safety, Sustainability and Technology Committee with a role to provide strategic and governance oversight to explore the future of the mining industry and the implications of the Weir Group's fully integrated business model, which includes overseeing climate-related matters. The Committee performs a governance role in overseeing sustainability performance against agreed sustainability and climate-related metrics and targets and providing feedback to the Board or relevant Board sub-committees, such as recommendations to the Remuneration Committee on sustainability and climate-related KPIs in bonus schemes. The Committee also conducts an annual deep dive on the Weir's sustainability strategy and climate-related targets and the Chair of the Committee feeds back those discussions to the Board. The Committee is supported by the Chief Strategy and Sustainability Officer (CS&SO) and management representatives across the Group, with responsibility to deliver and report against their climate-related priorities. In addition, the Committee, where appropriate, has sought external input to widen the discussion on climate-related matters. More can be found on pages 97 to 98.

### The Audit Committee

In 2024 it was agreed that the Audit Committee would keep under review the effectiveness of the internal controls and systems for reporting non-financial data, and the related assurance activity. This includes climate-related data, where appropriate. The Audit Committee is informed about, and considers, climate-related matters through its work to oversee the impact of climate on the financial statements. Its review of results of the scope 1&2 compliance scorecard responses (presented by management) also enables the Audit Committee to monitor and oversee progress against goals and targets for addressing climate-related issues (see page 104).

### Remuneration Committee

The Remuneration Committee considers and agrees scorecard metrics for safety and sustainability, including climate-related matters, on an annual basis.

### Nomination Committee

The Nomination Committee considers sustainability and climate in its succession considerations. For example, the experience of Andy Agg in ESG matters (including his involvement in the 'Accounting for Sustainability Network') was considered in his appointment.

### Group Executive

The Group Executive are responsible for reviewing the sustainability strategy and progress against priorities, including climate, annually in advance of the Group's strategic planning cycle, to ensure integration with business strategy. With the establishment of the Safety, Sustainability and Technology Committee in 2024, the residual Sustainability Excellence Committee accountabilities have been subsumed into the Group Executive and any material climate-related emergent topics will be presented to the Group Executive for input and discussion as required. Annual climate-related KPIs on the Group Balanced Scorecard (see pages 135 to 136) are also defined annually and reviewed quarterly by the Group Executive as part of the Group Executive annual schedule, alongside the other ESG metrics that collectively make up half of the balanced scorecard.

### Chief Executive Officer (CEO)

The CEO reports directly to the Board and is responsible for planning Group climate-related objectives and strategy for Board approval, along with ensuring the effective delivery of Group strategy.

### Chief Strategy and Sustainability Officer (CS&SO)

The CS&SO is the Group Executive member with management responsibility for climate-related matters and reports directly into the CEO. This includes developing and implementing climate transition plans, assessing and managing climate-related risks and opportunities, and integrating climate-related items into Group strategy. The CS&SO agrees management recommendations on climate-related topics with the Group Executive, provides climate-related updates to the Safety, Sustainability and Technology Committee and is informed about climate-related issues through input from their specialist internal team, as well as various working groups and third-party advisers.

### Strategy

#### Risks and opportunities identified

The risks and opportunities table on pages 53 to 54 outlines the Group's most material financial risks and opportunities and considers their potential impact on financial performance and position in the future. We also track other identified climate-related risks and opportunities that currently have a potential financial impact that is less than our materiality threshold, which includes carbon pricing risk and cost of capital opportunity from our 2021 and 2023 Sustainability-Linked Notes and Revolving Credit Facility. Risks and opportunities are prioritised based on their strategic importance and potential financial impact.

Our risk assessment materiality threshold is defined in accordance with set financial thresholds on pages 53 to 54. In this context, our materiality threshold is a gross risk or opportunity of 5% of current year operating profit. Our time horizons, also on pages 53 to 54, are in line with our Risk Assessment Criteria and align to the time horizons used in our strategic planning cycles. We recognise that climate-related issues often manifest themselves over the medium and longer terms, and this is reflected in our own medium and long-term horizons of 3 to 5 years, and +5 years respectively. We have not identified any potential climate-

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related issues that could have a material financial impact on the Group arising in our short-term (0–3 year) time horizon.

### Risks and opportunities process

We assess the impacts of physical and transition risks and opportunities identified in our risk management process, as outlined on page 51, to quantify financial impact and compare to materiality thresholds previously mentioned. These assessments are validated annually as part of our strategic plan with Divisions asked to confirm those risks and opportunities that are of most relevance to them, and have the most significant potential financial impact on their plans. We also annually review the financial impact of all climate-related risks and opportunities to consider factors that may change their materiality status, such as the EU Carbon Border Mechanism Adjustment for our carbon pricing risk, and the potential interest savings from our 2023 Sustainability-Linked Notes. Outputs are monitored by the CS&SO and changes to risks and opportunities are reported into the Group Executive as required. There were no changes to our risks and opportunities in the year.

### Impact on business, strategy and financial planning

Our sustainability strategy is outlined on page 22. We are already adapting our strategy to address climate-related risks and opportunities, including through:

- ‘Deliver sustainable Weir’ with focus on reducing our scope 1&2 CO<sub>2</sub>e footprint as well as management of waste, water and biodiversity within our own operations; and
- ‘Accelerate sustainable mining’ with focus on the impact of our equipment to use less energy, use water wisely and create less waste. This is linked to our scope 3 CO<sub>2</sub>e and avoided emissions workstreams.

Climate-related risks and opportunities are also considered as part of the mergers and acquisitions process, including assessment of energy and water consumption, carbon footprint, physical risks, contribution to Weir’s climate-related technology opportunities and impacts on the wider Weir network.

Note 2 to the Group financial statements (page 168) outlines how we have considered potential climate impacts in our financial statements. This is further evidenced by the financial commitments within our Transition Plan on page 52. The outputs from our scenario analysis described in the next

section have also been used in our viability assessment (see pages 71 to 72).

Climate-related issues are considered in the financial planning processes in a number of ways:

- Validation of risks and opportunities through the annual five-year strategic planning process with our Divisions, along with an assessment of related strategic initiatives. We actively track for indicators of a faster global transition requiring additional investment allowing us to deploy capital flexibly where needed.
- Our ten-year operations CO<sub>2</sub>e forecasting model provides an aligned view of the impact of planned production, facility and energy changes to help plan future capital requirements.
- As noted on page 135, we introduced a new annual target for avoided emissions for 2024, approved through the bonus scheme process, which will be embedded and managed through the financial planning process.
- We have a cross-functional working group to oversee 2025 planned updates to the capital expenditure process to more fully embed climate-related topics within the decision-making process and capture data to support future disclosures.

Overall, there is no material impact to current financial performance and both capital and operating expenditure needs to meet our 2030 CO<sub>2</sub>e targets have been assessed and built into our strategic plans.

### Scenario analysis and resilience of our strategy

We have used scenario analysis to assess risks in greater depth and assess resilience, working with Willis Towers Watson (WTW) to model our physical and transition risk scenarios as outlined below:

- **Physical risk:** After identifying risks in the 2020 TCFD review, as described in the Risk management section, we modelled potential increases in extreme weather risk under two physical climate scenarios: less than 2 degrees of warming, applying physical climate scenario RCP 2.6; and 4 degrees of warming, applying RCP 8.5. We assessed financial exposure in terms of the maximum foreseeable one-off loss for facilities most at risk to flood risk beyond 2040, based on potential costs of damage and business

interruption at facilities most exposed. The potential impacts are considered material and are included in our risk and opportunity disclosure on page 54.

- **Transition risk:** After the 2020 TCFD review, we conducted detailed quantitative scenario analysis in 2021 to quantify risks and opportunities related to markets for key minerals from the transition to a low carbon economy. The analysis was then updated in 2023 for three different scenarios:
  - i. Business as usual (BAU) is based on market expectations derived from the International Energy Agency (IEA) Stated Policy Scenario, with temperatures exceeding +2°C by 2100 vs pre-industrial levels.
  - ii. 2DS considers a transition to a low carbon economy in line with the Paris Agreement, based on IEA’s Sustainable Development Scenario (SDS), assuming an orderly global transition limiting warming to well below 2°C by 2100. The scenario achieves net zero emissions by 2050 in developed nations and global net zero by 2070 through a forced (pushed by policy), but economically optimised, trajectory constrained to a carbon budget.
  - iii. An additional 1DS scenario with the same parameters as 2DS but faster transition limiting warming to 1.5°C by 2100 and global net zero emissions by 2050.

Our analysis highlighted accelerated movement in commodities in the 2DS and 1DS scenarios, driven by technology changes such as electrification, growth in battery storage and electric vehicles, as well as the shift away from fossil fuels. It considered consequent impacts on Weir’s business in terms of revenue trends from customers operating in each commodity. The analysis assumed no actions in our business strategy to mitigate the impact of declining commodities or leverage the opportunity from future facing minerals under the faster transition scenarios, and so can be deemed a worst case. Outcomes are shown on page 53.

In addition to the scenario analysis work performed in 2021, we consider the resilience of our overall five-year strategy, including climate-related risks and opportunities, through annual PESTLE (Political, Economic, Social, Technological, Legal, and Environmental) analysis with the output provided to the Board as part of the strategic plan review process (see page 82 for more information).

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Overall, we believe our strategy is resilient and that we are well positioned to address emerging climate-related risks and opportunities and meet our target to grow faster than our markets. Our global network has wide reach and flexible capacity to meet changing customer demands under all three considered scenarios and we have invested in recent years to expand capacity in key growth markets. We are meeting customer demands for new technology through our technology strategy (see pages 26 to 27) and we are optimising our operations to drive up energy efficiency, increase renewable energy and protect against physical risks.

### Risk management

#### Group principal risk

Climate is included in the Group's principal risk register due to the wide implications on the Group's performance and reputation (see page 68). This risk was first added as a principal risk in 2019 and was previously called 'Environmental Sustainability'. It was identified and assessed in accordance with the Group's Risk Management policy on page 61, before being updated in 2021 to incorporate the outputs from our TCFD assessments (see below), with our risk indicators updated to align with TCFD categories of policy and legal, technology, market, reputation and physical risk. The principal risk is managed at a Group level with the CS&SO assigned as the Group Executive principal risk-owner. Updates to the risk are managed through the risk process outlined on page 62.

#### Identification and assessment of climate-related risks

Our 2020 TCFD review was designed to identify and assess climate-related risks as follows:

- **Physical risk:** As a business with operations across the world, we are exposed to risks of extreme weather events disrupting our facilities or supply chain networks. We performed scenario analysis to identify risks related to physical impacts of climate change – such as direct damage to property or ability to supply customers. The assessment concluded that we are exposed to physical risks with a potential to cause business interruption, in particular, flood risks at facilities. Further information is on page 54.
- **Transition risk:** The first step of our approach was to identify plausible transition risks, over a time horizon of ten years. Transition risk types considered followed those prescribed by the TCFD framework, covering market,

reputation, technology and regulatory factors, including existing and emerging regulatory risks. We identified a shortlist of 12 topics in a survey of Senior Management within each Division and assessed risks and opportunities for each in greater detail through an approach aligned with Weir's risk assessment criteria summarised on page 61, including in-depth interviews and workshops with subject matter experts and an assessment of likelihood and potential impact of each risk and opportunity. We also considered any existing or potential responses. The review highlighted markets as the most material risk and technology as the most material opportunity, so these were reviewed in more detail, with scenario analysis performed to quantify potential impact of the market risk (further information on pages 50 to 51). We have also, where possible, further assessed and validated the impact of other transition risks, such as the financial quantification of our carbon pricing exposure.

Our 2020 TCFD review allowed us to identify and assess climate-related risks in isolation first, before subsequently considering their relative significance alongside other, non-climate-related risks. The 2020 TCFD review ultimately informed the Group's principal risk on climate, as well as identifying links to other principal risks, enabling a more fully informed and integrated risk management process.

#### Managing climate-related risks

The disclosure on pages 53 to 54 set out the actions to mitigate our material climate-related risks. As noted on page 49 to 50, climate-related risks are prioritised based on their strategic importance and potential impact in line with financial materiality thresholds.

In terms of making decisions to mitigate, transfer, accept or control climate-related risks, we followed a similar risk management approach as outlined on page 61, considering the severity of each risk (using the impact and likelihood outputs from TCFD assessment) and the effectiveness and efficiency of internal controls. In 2021, we updated our climate principal risk to embed further climate-related mitigating actions. This process also highlighted links to our technology and market principal risks, on pages 64 and 67 respectively, which incorporate climate-related actions to mitigate overall Group exposure, such as R&D investment to develop more sustainable technologies.

We continually monitor our climate-related risk exposure through our risk management framework that underpins our Group principal risk (see above), as well as being informed by the strategic planning process as outlined on page 50.

### Metrics

#### Key climate-related metrics and targets

The primary metrics we consider when assessing and managing climate-related risks and opportunities are as follows:

- Scope 1&2 emissions (see page 55)
- Scope 3 emissions (see page 56)
- R&D as % of sales (see page 36)
- Avoided emissions (see page 47)

These metrics link to our key climate-related targets and commitments as summarised in our Transition Plan summary on page 52. More information on performance in the year can also be found in our Technology and Performance strategic progress sections (see pages 26 to 31). Scope 1&2 and avoided emissions are subject to limited assurance from SLR and scope 3 is subject to limited assurance by PricewaterhouseCoopers LLP (see page 56).

#### 2024 measures

We embed climate-related measures within our remuneration policy to drive strategic action to improve our overall performance of the key metrics above. Our 2024 climate-related measures are summarised in the Remuneration report on pages 135 to 136, and include the following:

- continued reduction in scope 1&2 emissions versus the 2019 baseline; and
- developed our targets for avoided emissions and progress priority R&D projects. In 2023, we established our avoided emissions baseline and set a target for 2024, which was embedded in our bonus scheme (see page 135). Over time, we expect this to impact our future scope 3 emissions as we drive customer uptake of more energy efficient products with reduced emissions (see Transition Plan section on page 52).

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### Other metrics

In addition, we consider a range of financial and operational metrics when assessing climate-related risks and opportunities in line with our strategy. These are included in our risks and opportunity disclosure on pages 53 to 54 and Performance strategic progress on page 30. Although we recognise these metrics' connection to climate, we do not currently use these as our key metrics for the assessment and management of climate-related issues.

Additionally, we provide a more detailed emissions breakdown within our CDP Climate disclosure and we separately report energy consumption in operations and product fuel economy data in our Sustainability Accounting Standards Board (SASB) disclosure. Furthermore, we completed the CDP Water questionnaire for the first time in 2024 disclosing basic water-related data that we will continue to build on in future years. Our CDP and SASB disclosures are available in the Sustainability section of our website<sup>1</sup>.

We are continuing to evolve our metric and target framework and are taking actions to strengthen quality and governance of underlying data, as well as being committed to reviewing our KPIs and metrics as part of our transition to reporting under ISSB and CSRD in future periods (see page 57).

<sup>1</sup>Links to website:

- CDP (both Climate and Water) and SASB reporting can be found on our website at [global.weir.com/sustainability/sustainability-performance-and-reporting/](https://global.weir.com/sustainability/sustainability-performance-and-reporting/)
- Transition Plan can be found at [global.weir.com/transition-plan](https://global.weir.com/transition-plan).

### Transition Plan summary

The summary below sets out key elements of our Transition Plan in line with TCFD requirements. The plan is published in full on our website<sup>1</sup>, and we aim to publish an update to our Transition Plan during 2025.

#### Scope 1&2 emissions – c.0.5% of our footprint

This category includes emissions from our operations within our management control, including energy used in manufacturing and other facilities. One challenge for Weir is that we manufacture a high proportion of products in our own foundries and therefore recognise a higher proportion

of emissions in scopes 1&2 than if we were to export emissions to scope 3 by contracting out manufacturing.

Our scope 1&2 targets are as follows:

- SBTi approved 2030 Target: 30% reduction in absolute CO<sub>2</sub>e vs 2019 baseline (aligned to SBTi well below 2 degrees)
- 2050 Target: Net Zero

The 2030 emissions reduction will continue to be achieved through:

- Energy efficiency initiatives, with a focus on emissions hot spots, particularly our foundries.
- Low carbon electricity supply, including on-site renewable generation, green contracts, power purchase agreements and, where necessary, Renewable Energy Certificates (RECs).
- Purchase of offsets is not part of our transition plan to 2030.

Annual capital expenditure and operating costs required to deliver the plan have been assessed at around £0.5m to £1m across the period, and are considered non-material to our business plan. We remain well on track to meet our 2030 targets, having achieved 27% reduction in 2024 vs 2019 – see GHG Emissions data on page 55.

For 2030 to 2050, net zero requires economically viable low carbon alternatives to natural gas and other fuels to be used within our facilities. We continue to explore technology and energy supply options and have not yet quantified unabatable emissions or potential offsets required beyond 2030.

#### Scope 3 emissions – c.99.5% of our footprint

The overwhelming majority, c.98%, of Weir Group's end-to-end carbon footprint is attributable to downstream value-chain scope 3 emissions, specifically the use phase of our long-lifespan products and solutions on our customers' sites. Our scope 3 target is therefore focused on our downstream footprint:

- SBTi approved 2030 target: 15% reduction in use of sold products vs 2019 baseline (aligned to SBTi well below 2 degrees).

We have a compelling shared goal with our customers to reduce our scope 3 footprint. Through our technology strategy (pages 26 to 27), we develop new or improved technologies to improve energy efficiency in key mining processes. We have also developed our avoided emissions value proposition to drive take-up by customers (see page 47).

Due to inherent uncertainties in calculating scope 3, we take a continuous improvement approach to review our processes and data and disclose any restatements in a timely and transparent manner. We have restated our 2023 emissions as a result of improvements in data collection (see page 56).

Delivering against our 2030 target depends substantially on external factors beyond our direct influence or control, notably the rate of adoption of low carbon energy by our customers and grid decarbonisation, given that the majority of our equipment is already powered by electricity, accounting for around 90% of use of sold product emissions. Our scope 3 target is based on emissions factors for customers purchased electricity aligned to the IEA Stated Policy Scenario. However, our scope 3 footprint continued to rise between 2019 and 2023 due in part to business growth and sales to countries with high electricity emission factors. Following the data improvements described above, we reviewed our scope 3 2030 forecast in 2024 and concluded that despite a 9% reduction in use of sold product emissions in 2024 (see page 56), our 2030 scope 3 target is at risk. Achieving it will depend on accelerated action to decarbonise electricity grids. We continue to engage externally in favour of energy efficiency and the low carbon energy transition, as described on page 46. We intend to keep our scope 3 target under review based on the overall electrification and decarbonisation journey of the jurisdictions in which our customers utilise our equipment.

The main cost to support our plan is R&D investment which is already core to our business strategy (see page 36).

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Description	Categorisation	Impact	Summary
<b>Both risk and opportunity</b>			
<p><b>Risk 1</b></p> <p><b>Changing customer behaviour</b></p> <p>Decreased revenues due to reduced demand for products and services from declining mining sectors</p> <p><b>Category:</b> Transition – market</p>	<p><b>Time horizon<sup>1</sup></b></p> <p>Short    Medium    Long</p> <p>—    —    <b>—</b></p> <p><b>Likelihood</b></p> <p>Unlikely    Moderate    Likely</p> <p>—    <b>—</b>    —</p> <p><b>Magnitude<sup>2</sup></b></p> <p>Low    Medium    High</p> <p><b>—</b>    —    —</p>	<p><b>Potential financial impact<sup>3</sup></b></p> <p>Risk: c.£120m per annum revenue under 2DS scenario; c.£210m per annum under 1DS</p> <p>Opportunity: c.£70m per annum revenue under 2DS scenario; c.£310m per annum under 1DS</p> <p>Cost of response: £46.6m costs per annum</p> <p>Metric – Commodity as % of revenue: Risk commodities (at constant currency) – coal, oil sands and iron ore 22% (2023: 24%; 2022: 24%)</p> <p>Opportunity commodities (at constant currency) – copper, nickel and lithium 28% (2023: 26%; 2022: 28%)</p>	<p>Longer-term trends in demand patterns for key minerals are projected to change during the transition to a low carbon economy. Weir sells products and services to customers producing fossil fuels and certain minerals that are due to decline during the transition (coal, oil sands and iron ore), as well as future-facing commodities that are due to increase (copper, nickel, lithium and cobalt).</p> <p>We describe on page 50 to 51 our analysis of forced commodity market scenarios, constrained by carbon budgets. In 2024, similar to prior years, we compared the commodity market forecasts in our five-year strategic plan with those in the ten-year climate scenario analysis. We found that our five-year planning assumptions broadly align with the BAU scenario, particularly for the biggest commodities with most material impact on risks and opportunities. We noted greater variation between external data sources for timelines beyond five years and for commodities with a smaller impact on our revenue. Overall, we considered that BAU is largely built into our existing plans. The financial impact for both the risk and opportunity is, therefore, the difference in revenue between BAU and the 2DS and 1DS scenarios per annum by 2033. The assessment indicated that overall net revenue impact in 2033 would be about -£50m under the 2DS scenario, with a revenue downside of £120m for risk commodities and upside of £70m for the opportunity commodities. Under the 1DS scenario, this switched to a net opportunity of around £100m, due to the £210m downside in coal, oil sands and iron ore, being outweighed by a greater upside of £310m in copper, nickel, lithium and cobalt. ESCO Division is proportionately more exposed to downside risks. The potential impact would develop over a number of years, not as a one-off event, and the potential financial impact does not take account of mitigating actions, so can be deemed worst case.</p>
<p><b>Opportunity 1</b></p> <p><b>Changing customer behaviour</b></p> <p>Increased revenues due to greater demand for products and services from growing mining sectors</p> <p><b>Category:</b> Transition – market</p>	<p><b>Time horizon<sup>1</sup></b></p> <p>Short    Medium    Long</p> <p>—    —    <b>—</b></p> <p><b>Likelihood</b></p> <p>Unlikely    Moderate    Likely</p> <p>—    <b>—</b>    —</p> <p><b>Magnitude<sup>2</sup></b></p> <p>Low    Medium    High</p> <p><b>—</b>    —    —</p>	<p>We monitor ongoing commodity-related data with recurring annual cost of £0.1m. Actions in our strategic plan mitigate the impact of declining commodities and leverage the opportunity from future-facing minerals in line with the BAU scenario, with contingency plans to manage a faster transition. We are well placed to manage transition risk due to long planning cycles in the mining sector, flexibility within our network, active tracking of market signals and ongoing resilience testing. In addition, our R&amp;D capital allocation targeting 2% of annual revenue means we continue to provide compelling offers relevant to customer needs to scale up future facing commodities, meet iron ore demand from the low carbon steel sector and manage assets in declining sectors as efficiently and sustainably as possible. R&amp;D in 2024 totalled £46.5m.</p>	

1. Our Risk Horizons as defined in our Risk Assessment Criteria are: up to 3 years – short; 3 to 5 years – medium; 5+ years – long.

2. Our Risk Assessment Criteria for the magnitude impact of gross risk are based on operating profit: >20% profits – high; 10-20% profits – medium to high; 5-10% of profits – moderate; 0-5% profits – low impact Score.

3. Potential financial impact is shown as increase or decrease in revenue or cost. Risk 2 also includes estimated profit impact.

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Description	Categorisation	Impact	Summary
<p><b>Risk 2</b></p> <p><b>Increased severity and frequency of events</b> Impact of flood (coastal, fluvial, pluvial, groundwater)</p> <p><b>Category:</b> Physical – acute</p>	<p><b>Time horizon<sup>1</sup></b></p> <p>Short Medium Long</p> <p><b>Likelihood</b></p> <p>Unlikely Moderate Likely</p> <p><b>Magnitude<sup>2</sup></b></p> <p>Low Medium High</p>	<p><b>Potential financial impact<sup>3</sup></b></p> <p>£30m one-off cost</p> <p>Cost of response £0-0.1m per annum cost</p> <p>Metric: We track our exposure through our financial impact and monitor disruption at our sites, of which there were no major incidents in the year</p>	<p>As a business with operations across the world, we are exposed to risks of extreme weather events disrupting our facilities or supply chain networks. As outlined in the Strategy section on page 50 to 51, we modelled potential increases in extreme weather risk under scenarios for &lt;2°C and +4°C of warming and then assessed the maximum foreseeable one-off loss, based on potential costs of damage and business interruption at facilities most exposed to flood risk under a +4°C scenario beyond 2040. Analysis identified an aggregate one-off loss range across the Group of between £0-30m reflecting a combination of replacement of physical assets and gross profit exposed to climate-related risks. The results were shared across the Group's operations, to reinforce both the appropriateness of our existing physical risk mitigation strategies and inform decisions on future risk initiatives and expansion plans. We continue to monitor disruption of climate-related physical incidents at our sites, with no significant events in 2024. In case of such events occurring, the Group maintains robust business continuity plans and specific insurance protection to mitigate against the extent of any operational impact that may occur.</p> <p>The loss range identified as part of the scenario analysis reflected potential gross losses before taking into consideration the Group's controls environment. Through a combination of existing physical defence measures and business continuity plans, cross-divisional manufacturing capacity and the applications of insurance, the net loss forecast would reduce to a low figure. We, therefore, categorise the magnitude of impact as low. The cost of response reflects third-party loss control engineering advice to assist facilities identify risks and develop mitigation solutions.</p>
<p><b>Opportunity 2</b></p> <p><b>Development and/or expansion of low-emission goods and services</b> Increased revenues due to greater demand for products and services</p> <p><b>Category:</b> Products and services</p>	<p><b>Time horizon<sup>1</sup></b></p> <p>Short Medium Long</p> <p><b>Likelihood</b></p> <p>Unlikely Moderate Likely</p> <p><b>Magnitude<sup>2</sup></b></p> <p>Low Medium High</p>	<p><b>Potential financial impact<sup>3</sup></b></p> <p>£50m per annum revenue</p> <p>Cost of response: £46.6m of cost per annum</p> <p>Metric – R&amp;D as % of sales: 2024: 1.9% (2023: 1.8%; 2022: 1.9%)</p>	<p>We target mid to high single digit growth above market per year, driven by four factors: sustainable solutions, integrated solutions, expanding our product range and geographic expansion. A 5% revenue uplift on annual continuing operations revenue of c.£2.5bn would deliver increased annual revenues of around c.£130m per annum, from the four factors combined. We have assumed 50% of this uplift in our calculations. Weir continues to target at least 2% of revenues investment on R&amp;D in line with our technology strategy on pages 26 to 27. Our focus on sustainable solutions creates a compelling value creation opportunity as we link our goals directly with our customers, focus investment to accelerate the technology transition in mining, and quantify avoided emissions through our avoided emissions initiative to unlock value for customers (see page 47). The cost of response reflects R&amp;D in 2024 of £46.5m, as well as recurring expenditure for the avoided emissions workstream of £0.1m.</p>

1. Our Risk Horizons as defined in our Risk Assessment Criteria are: up to 3 years – short; 3 to 5 years – medium; 5+ years – long.

2. Our Risk Assessment Criteria for the magnitude impact of gross risk are based on operating profit: >20% profits – high; 10-20% profits – medium to high; 5-10% of profits – moderate; 0-5% profits – low Impact Score.

3. Potential financial impact is shown as increase or decrease in revenue or cost. Risk 2 also includes estimated profit impact.