

Sustainability

Senior continues to be at the forefront of sustainability reporting and action. We believe that this is truly important and, evidently, so do many of our customers who are including commitment and progress on sustainability in their supplier selection decision-making process. In 2024, we made significant strides, including meeting our Near-Term science-based target for the reduction of greenhouse gases, a year ahead of the 2025 target date, and progressing our Double Materiality Assessment (DMA). Looking ahead to 2025, we will continue our focus on sustainability by supporting our customers in their carbon reduction efforts, and, having already achieved our Near Term Scope 1 & 2 SBTi accredited targets, our full focus now turns to meeting our 2040 Net Zero Scope 1, 2 and 3 targets.

In 2024, we achieved significant milestones in our sustainability journey:

Environmental

- Awarded 'A' leadership score by CDP for our disclosure and action on climate change for 2024
- We continued to reduce our Scope 1 and 2 greenhouse gas emissions, achieving a reduction of 33% against our 2018 baseline, meeting our Near-Term science-based target ahead of the 2025 target date.
- Electricity sourced from renewable energy increased to 52%, from 48% in 2023.
- We extended our support to suppliers yet to set carbon reduction targets and updated our Sustainable Sourcing Policy.

Social

- We undertook our annual Global Employee Engagement Survey in May 2024 and were pleased to see improvements in the participation rate, engagement, and health & wellbeing scores.
- Our Lost Time Injury Illness & Illness Rate in 2024 reduced by over 40% to 0.19, down from 0.32 in 2023.

- Currently, 56% of the Board Directors are female, including the Chair of the Audit Committee, the Senior Independent Director, who is also Chair of the Remuneration Committee, and the Group Finance Director. The Chair of the Audit Committee is also the non-executive Director with Board responsibility for employee engagement. Two of the Directors (22%) are from ethnic minority backgrounds.

Governance

- We deployed an enhanced Group Anti-Fraud Policy.
- We carried out a Group-level double materiality assessment. The results of the assessment will inform Senior's approach to enhancing and evolving its sustainability strategy.

Further information on Senior's sustainability activities can be found on pages 12 to 31.

Our sustainability performance

Environment

33%

Reduction in Scope 1 (Direct) and Scope 2 (Indirect) emissions (market based) from 2018 base year (2023 – 29.5%)

Waste

91.1%

Recycling rate (2023 – 95.1%)

Diversity

56%

Percentage of women on Senior plc Board (2023 – 57%)



Defence (13% of Group)

Senior's sales to the Defence sector are primarily focused on US military aircraft platforms such as the F-35 and C-130J.

Lockheed Martin has stated that they will continue to produce 156 F-35 aircraft per year, having delivered 110 in 2024. The total planned purchases of F-35s are over 3,500, of which 31% is for the international market.

Adjacent Markets (9% of Group)

Sales from our Aerospace operating businesses into end markets outside of the civil aerospace and defence markets are classified under "Adjacent Markets" and include sales into the semiconductor equipment, space and medical markets.

In the semiconductor sector, global sales of wafer fabrication equipment grew by 7% during 2024. This market is forecast to grow by a further 7% in 2025 driven by demand for AI-related chips. (Source: Semi.org)

Land Vehicle (19% of Group)

Demand in heavy-duty truck markets during 2024 weakened in both Europe and North America, while the off-highway market remained subdued and light vehicle markets experienced mixed conditions.

According to Americas Commercial Transportation ("ACT") research, North American heavy-duty truck production declined by 2% in 2024 compared to 2023, which was better than originally anticipated. This decline was due to ongoing overcapacity in the for-hire freight-logistics sector in the USA, which has resulted in low levels of profitability and fleet investment in the Class 8 "tractor" sector. ACT forecast production to decline by 5% in 2025 and rebound in 2026 to 12% growth as a result of the pre-buy ahead of the planned 2027 emission change.

Weak economic fundamentals, particularly in Germany, led to lower orders for and production of heavy-duty trucks in Europe during 2024. S&P Global ("S&P") data shows that production was down 26% year-on-year, weaker than originally anticipated. S&P predict production in 2025 to increase by 2%.

In the off-highway sector, demand for construction vehicles decreased in both North America and Europe in 2024. Demand for mining equipment remained positive in all major markets. Industry participants are forecasting that overall demand in the off-highway sector in 2025 will decline in North America between 0% – 10%, be flat in Europe and increase between 0% – 10% in China.

European light vehicle production declined by 7% in 2024 after two years of post-pandemic catch-up, as supply and demand became more balanced. Production in North America fell by 2% in 2024, as four years of inventory restocking came to an end. In India, the other light-vehicle market to which Senior has significant exposure, production in 2024 increased by 4%. This relatively low rate, by Indian market standards, was due to high levels of inventory. S&P is forecasting that production in 2025 will fall by 5% in Europe, by 2% in North America and increase by 6% in India.

Power & Energy (13% of Group)

2024 saw growth in upstream oil & gas expenditure slowing, especially in the Middle East, while remaining subdued in North America.

Activity in the downstream sector remains focussed in the Middle East and Asia, where cheap feedstock and economic growth respectively is driving demand.

Global electricity consumption grew by 4.3% in 2024 and is forecast to grow at 4% annually through 2027. Demand is being driven primarily by economic growth, urbanisation and the adoption of EVs.

Outlook

We are committed to a sale of our Aerostructures business and are making good progress. There is good buyer interest, we are now at an advanced stage of a sale process with a small number of parties, and negotiations are progressing positively. We are focused on completing the sale process and maximising value for shareholders and will update the market in due course. This is in line with our strategy to position Senior as the market leading pure play fluid conveyance and thermal management business.

For the year ahead, the Board anticipates good growth for the Group, in line with its expectations. We are closely monitoring the impact on global trade from potential tariff changes.

Increasing aircraft build rates, operational efficiency benefits and improved contract pricing are expected to drive good growth in Aerospace in 2025, with H2 expected to be higher than H1.

For the full year, Aerostructures is expected to improve from a loss making position in 2024 to an operating profit range of £9m to £11m in 2025, with the large majority of that being earned in H2.

We expect Flexonics performance in 2025 to be broadly similar to 2024.

In land vehicles, the ramp up of programmes recently won means we expect our 2025 performance to be broadly similar to 2024, despite some softness in North America and Germany. In power and energy, activity levels are expected to be similar to 2024.

Our strategy of positioning Senior as a pure play fluid conveyance and thermal management business in attractive and structurally resilient core markets; with active portfolio management; combined with our highly relevant technical capabilities; and sector-leading sustainability credentials, provides confidence of continuing performance improvements for the Group. Reflecting the Board's confidence, we have announced new and improved medium term financial targets which will be discussed in detail at the Investor Event on Monday, 3 March 2025.

David Squires

Group Chief Executive Officer

SUSTAINABILITY



Mark Roden | Group Director of HSE & Sustainability

“We have made progress against goals, reaching Net Zero a year ahead of target, reducing LTIR to world class levels and retaining an “A” rating with CDP on disclosure and climate action.”

Sustainability goals for 2025

In 2025, we aim to build on this strong foundation by:

- commencing double materiality disclosure to address both financial and environmental/social impacts; and
- improving the precision of Scope 3 calculation methodologies as we progress toward our Net Zero 2040 target.

Double Materiality Assessment

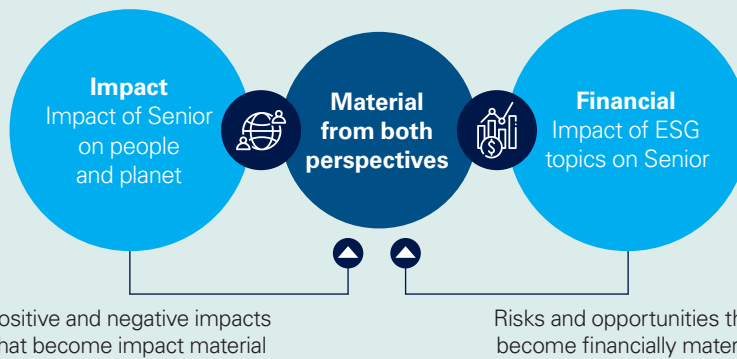
In 2024, we carried out our first Double Materiality Assessment (DMA) for the Group. The DMA, aligned to the CSRD, assessed both financial and impact materiality.

Financial materiality is defined as matters which (may) generate risks or opportunities that could potentially have a material influence on the undertaking’s cash flows, development, performance, position, cost of capital or access to finance over the short, medium, and long-term time horizons.

Impact materiality is defined as matters which could have an actual or potential significant impact on people or the environment over the short, medium or long term, caused or contributed to by the undertaking’s own operations, products, or services or through its business relationships.

The results of the DMA process are shown in the table below. The risks and impacts identified as part of this assessment have been mapped against the Group’s principal risks disclosed on page 54 to 59. Appropriate mitigation measures are already in place to manage these risks and to take advantage of the opportunities.

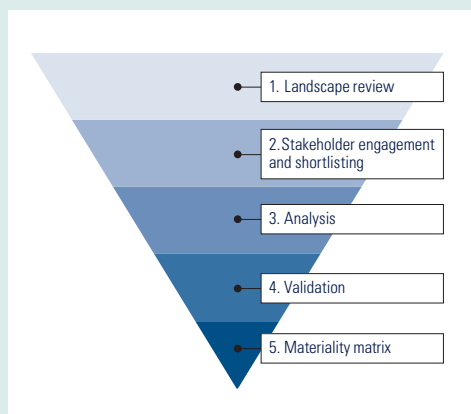
All sustainability matters affected by, or having an effect on Senior



Senior’s material sustainability topics

Topic	Potentially material from a financial perspective	Potentially material from an impact perspective
Environment		
R&D and product innovation		●
Sustainable product design and lifecycle management		●
Climate change mitigation	●	●
Responsible material sourcing and efficiency		●
Social		
Product performance, quality and safety	●	●
Employment practices and worker rights in own workforce		●
Health, safety and wellbeing		●
Attracting future talent	●	
Worker and human rights in the supply chain		●
Governance		
Data protection and cyber security	●	●
Supply chain management	●	
Anti-bribery and corruption	●	

Our double materiality process



1. Landscape Review – the objective of the landscape review was to identify the comprehensive list of sustainability topics that the Company should consider through the DMA. A comprehensive list of topics was identified and thoroughly reviewed.

2. Stakeholder Engagement Process – the stakeholder engagement process began with mapping Senior's value chain, which identified key activities, materials, geographies and stakeholders. Following the value chain mapping exercise, a list of stakeholder groups was identified. We selected a diverse range of internal and external stakeholders for direct engagement, ensuring they represented a variety of perspectives and a mix of geographies, business/market expertise and commercial relationships with Senior. Where the direct engagement was not possible, we used alternative information to gather insights. As a result of the engagement process, we validated the long list of sustainability topics, identifying Impacts, Risks and Opportunities (IROs) from a wide range of perspectives. Following engagement with stakeholders, the short list of sustainability topics and their associated IROs were identified.

3. Analysis – a scoring tool, designed in line with the European Financial Reporting Advisory Group (EFRAG) guidance, was used to score each IRO related to each short-listed topic. To score Impact Materiality, each topic was assessed according to the European Sustainability Reporting Standards (ESRS) and EFRAG double materiality guidance against three parameters to determine its severity: scale, scope and irremediability. To score Financial Materiality, the calculation considered how each issue might affect Senior financially in terms of revenues, fines and remediation, profit, cost of capital and asset value. This was aligned with Senior's existing guidance for assessing likelihood of occurrence and impact.

4. Validation – the scoring results were presented to the Executive Committee and the Board in December, who performed the final validation of the double materiality matrix. The matrix will provide a framework for Senior to prioritise its efforts in addressing sustainability-related risks, impacts and opportunities.

5. Materiality Matrix – the list of sustainability topics material to Senior is shown on page 12.

Eight stakeholder groups were considered as part of the DMA process

Stakeholders identified during the value chain mapping	Stakeholder groups consulted in the DMA process	Rationale
Senior Leadership	Senior Leadership and members of the Executive Committee	To validate topics and identify IROs from a range of strategic perspectives
Operating Business Leaders and Functional Managers	Management and senior employees (various regional representation)	To validate topics and identify IROs from various regional and business development perspectives
Employees	Group HR Director and a representative of the Works Council	To validate IROs from a HR perspective and to ensure employee viewpoints are represented as an affected stakeholder
Investors and ESG rating agencies	Investor relations and investors	To represent shareholder perspectives
Suppliers/workers in the value chain	Supplier representatives	To validate topics and identify IROs from a supply chain perspective and to represent the views of employees in the value chain
Customers/end users of Senior's products	Customer representatives	To validate the topics and identify IROs from a customer and end user perspective
Local communities	Business leaders in our global operations	To understand the potential impacts of Senior's own operations on the local communities surrounding manufacturing sites
Environment	Global aviation agencies' reports	To validate IROs from an environmental perspective (focused on aviation)

ENVIRONMENT

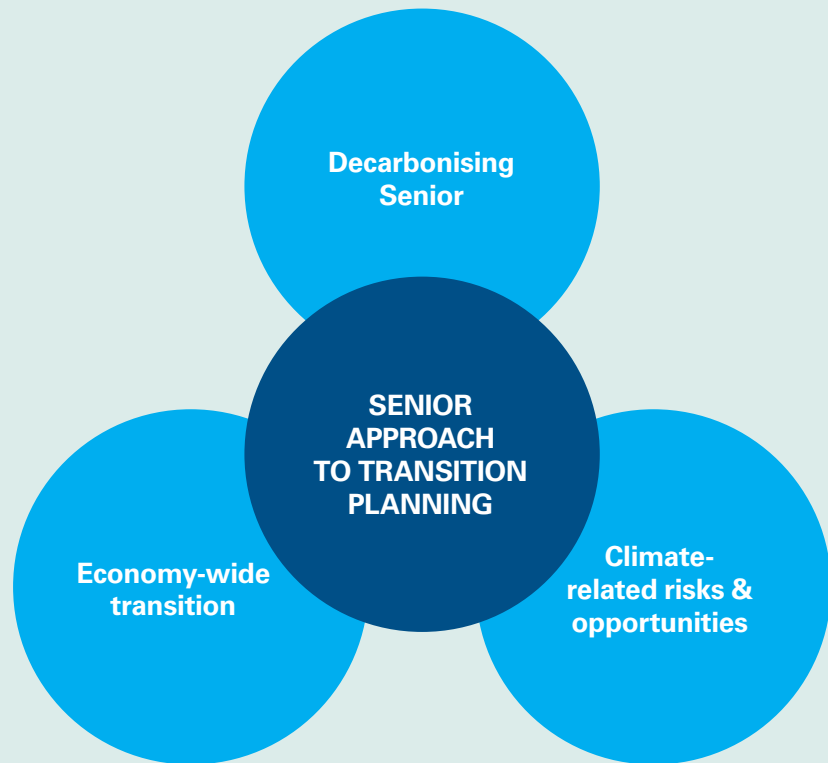
Environmental progress and commitment

At Senior, we continue to make measurable progress toward our ambitious environmental targets. Our strategic investments in more sustainable manufacturing practices are driving our transition to carbon neutrality and fostering a positive impact across our various stakeholder groups.

We adopt a science-based approach to address climate change, with our commitment to achieve Net Zero emissions by 2040 firmly aligned with the Paris Agreement. This is underpinned by science-based targets approved by the Science Based Targets initiative (SBTi), ensuring our goals are credible and grounded in climate science.

Our energy management strategy plays a pivotal role in achieving these greenhouse gas emissions reductions within our operations, thereby supporting global efforts to mitigate climate change.

Our approach to climate transition planning



We are contributing to the following UN Sustainable Development Goals through actions outlined in this chapter:



Economy-wide transition

Our fluid conveyance and thermal management technology allows us to support our customers with high-value solutions in the medium and long term as they transition to sustainable technologies.

Decarbonising Senior

Senior commits to reach Net Zero GHG emissions across the value chain by 2040 from a 2018 base year.

Climate-related risks & opportunities

Climate change has been identified as one of the Group's principal risks since 2019. In 2024, we conducted our annual assessment of climate-related risks in conjunction with our Double Materiality Assessment (DMA). A detailed description of this process is provided in this section.

Climate change

Addressing the climate challenge

It is imperative that all industries work to reduce greenhouse gas (GHG) emissions in alignment with scientific guidance. This requires decisive and immediate actions to achieve near-term progress on the path to carbon neutrality by 2050, as outlined in the United Nations Framework Convention on Climate Change (Paris Climate Agreement). By working together and taking meaningful steps now, we can help mitigate these risks and build a sustainable future for generations to come.

Progress towards our certified Science-Based Targets

Scope 1 and 2 Carbon Emissions

Scope 1 emissions encompass greenhouse gas (GHG) emissions directly generated by our operations, including those from natural gas combustion, owned transport, and refrigerant use. Scope 2 emissions, on the other hand, refer to indirect GHG emissions resulting from the energy purchased by our organisation, predominantly electricity.

As part of our certified science-based targets, we remain steadfast in our commitment to reducing these emissions. Our carbon reduction programme focuses on:

- Enhancing energy efficiency across our operations.
- Increasing on-site renewable energy generation.
- Sourcing low-carbon electricity where available to further minimise our environmental footprint.

Through these initiatives, we are driving meaningful progress toward achieving our climate goals while supporting the global transition to a sustainable, low-carbon future.

In 2024, our businesses remained focused on improving energy management and monitoring, expanding on-site solar generation, and upgrading plant and equipment with energy-efficient alternatives. These efforts yielded measurable outcomes:

- **Total energy usage** decreased by **1%**.
- **On-site solar generation** was extended, with the facility in the Czech Republic, installed in 2023 achieving full operational output. Existing solar photovoltaics (PV) installations in **Thailand, Malaysia, and India** continued to contribute to our renewable energy mix.

These achievements reflect our ongoing commitment to reducing our environmental footprint and advancing toward our certified science-based targets.

Progress on Near-Term Science-Based Targets

We remain ahead of our 2025 Near-Term Science-Based Target, demonstrating our commitment to meaningful and measurable climate action:

- Achieved a **5.6% reduction** in total Scope 1 and 2 emissions (market-based) in 2024 compared to 2023.
- Achieved a **33.4% reduction** in Scope 1 and 2 emissions against our 2018 baseline.
- Increased the sourcing of renewable electricity to **52% in 2024**, up from **48% in 2023**.

These accomplishments reflect our dedication to operational efficiency, renewable energy sourcing, and maintaining a trajectory toward carbon neutrality by 2040.

Scope 3 emissions and supply chain engagement

Scope 3 emissions arise from activities beyond Senior's direct ownership or control, encompassing carbon emissions indirectly influenced by our value chain. These emissions extend beyond Scope 1 and 2, making them a critical area for addressing our overall carbon footprint.

To effectively reduce Scope 3 emissions, we recognize the importance of robust engagement with our supply chain, as purchased goods and capital goods represent the largest contributors to our Scope 3 profile. Since 2021, we have partnered with CDP to work collaboratively with our suppliers, adopting best practices to drive progress toward our Scope 3 (supplier engagement) Science-Based Target (SBTi).

This partnership exemplifies our commitment to fostering sustainable practices across our value chain and achieving impactful climate action.

Recognition for CDP Supplier Engagement Programme efforts

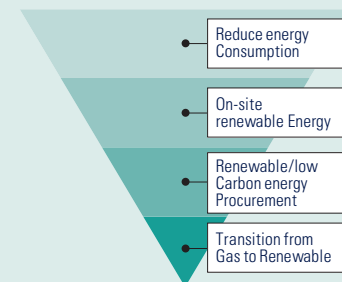
In 2023, we received an "A" rating for our efforts in the CDP Supplier Engagement Programme. This prestigious recognition is awarded only to the most committed companies actively working to reduce greenhouse gas emissions across their supply chains. It underscores our dedication to driving meaningful climate action in collaboration with our suppliers.

We eagerly await the announcement of our 2024 score, reflecting our continued commitment to sustainability leadership.

As part of CDP's supply chain engagement programme, we identified and engaged with over 300 of our key suppliers in 2024. In addition, we initiated an analysis of carbon reduction commitments among suppliers not yet participating in the CDP process.

To support those yet to embark on this journey, we have developed a simple carbon target tool aligned with the principles of Science-Based Targets. This tool provides practical guidance to help suppliers establish and implement their carbon reduction goals.

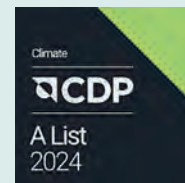
Senior energy hierarchy



Supplier engagement



In 2024, we were delighted to receive an A rating from CDP for Climate Disclosure and Action for the third consecutive year. With over 24,000 organizations reporting to CDP, we are honoured to be among the select few awarded the highest grade. This recognition further reinforces our leadership position in climate disclosure within our peer group.



When evaluating Purchased Goods and Services, we include approximately 320 of our suppliers. This approach aligns with our Science-Based Target, which requires that 82% of our suppliers, by spend, establish a Science-Based Target.

Ninety-one of our key suppliers have declared they have set carbon reduction targets. This has been helped by support through the CDP supplier programme, and the Senior sustainability team.

The data we receive from our suppliers is useful to us when we calculate our Scope 3 Purchased Goods carbon emissions, we are able to use this data to increase accuracy for this calculation.

- Our latest Scope 3 emission data can be found on [senior_plc_esg_disclosure_march_2024.pdf](#), please see www.seniorplc.com/sustainability



Carbon Emissions 2024

In Compliance with Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 – Streamlined Energy and Carbon Reporting (“SECR”)

	1 Jan 2024 to 31 Dec 2024			1 Jan 2023 to 31 Dec 2023		
	UK and Offshore	Global excluding UK and Offshore	Total	UK and Offshore	Global excluding UK and Offshore	Total
Scope 1: Combustion of fuel and operation of facilities	1,140	6,805	7,945	1,122	8,579	9,701
Scope 2: (location based) Electricity, heat and steam purchased for own use	2,381	42,975	45,356	2,264	39,473	41,737
Scope 2: (market based) Electricity + District Heating	0	30,293	30,293	0	30,790	30,790
Total gross Scope 1 and 2 (location based) emissions/tCO ₂ e	3,521	49,780	53,301	3,387	48,051	51,438
Energy consumed in MWh to calculate above emissions	16,872	129,121	145,993	16,309	130,610	146,919
Scope 3: Business travel, waste, water	283	2,382	2,665	238	2,226	2,464
Total Gross emissions/tCO ₂ e (Scope 1, Scope 2 location based, Scope 3 ; Business travel, waste, water)	3,804	52,162	55,966	3,625	50,278	53,902
Intensity measure tonnes CO ₂ emitted per £m of revenue	23	63	57	21	64	56
Water usage (in megalitres)	25	215	240	32	228	260
Percentage of waste recycled or recovered	100%	91%	91%	100%	94.5%	95.1%

Methodology

The Group's approach to calculating and reporting our GHG emissions follows the GHG Protocol on how to measure and monitor GHG emissions. Three data sources are used to calculate GHG emissions:

1. UK Government GHG Conversion factors for company reporting (Defra full set for advanced users 2024).
2. US EPA (eGRID) Emission factors for greenhouse gas inventories for US electricity generation (2024Version).
3. IEA (International Energy Agency) Emission factors year 2024 Edition. Reporting has incorporated Scope 2 greenhouse gas emissions (associated with electricity consumption) calculated using both the location and market-based methods. Data for the market-based, utility emission rates has been collated during the period December 2024 – January 2025, as best available information to represent the emissions during the year. It should be noted that these vary and are periodically updated, so are representative of our best endeavour to determine market-based emissions at the time of collating data for this report.

Each Senior business reports its environmental performance monthly using the Group's financial reporting process.

The Scope 1 and 2 emissions location-based and market-based (FY24) are independently assured in accordance with the International Standard on Assurance Engagements ISAE 3410 (limited assurance).

In calculating GHG emissions, the Group has used the control approach and more specifically the financial control approach under which a company accounts for 100% of the GHG emissions from operations over which it has control. This covers all wholly owned operations and subsidiaries of the Group for financial reporting purposes.

Limited Scope 3 emissions are reported in the table above, they are not externally verified at the time of publication of this Annual Report and Accounts.

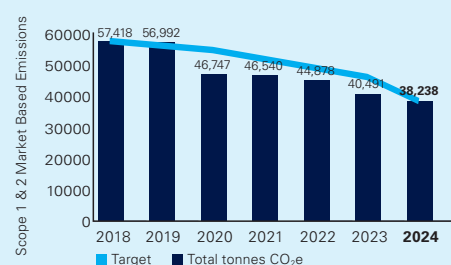
A full disclosure of the 2024 Scope 3 emissions, externally verified, will be made publicly available within our CDP Climate Change Disclosure, publicly available later in 2025.

Total waste includes the reported production and non-production-related hazardous and non-hazardous solid, sludge and liquid materials (including wastewater since 2019) that is sent off site for disposal, treatment, reprocessing, recycling or reuse by others. Waste materials do not include by-products or scrap from a Senior business process which are re-used in a production process. Similarly, waste that arises from construction and other maintenance/remediation work performed by third-party contractors are not included in the scope of reporting where the contractor is responsible for the disposal of the waste. Defra conversion factors are used worldwide for waste data as means to determine a reasonable carbon conversion factor.

Water volumes are obtained from meter readings and from supplier invoices. All water consumption is converted to megalitres, carbon is derived using recognised and appropriate Defra carbon conversion factors.

For vehicle and air mileage, Senior uses the most applicable Defra conversion factors to calculate the carbon based on distance travelled.

Scope 1 and 2 market-based emissions



33.4%

reduction in total Scope 1 and 2 emissions from our 2018 baseline

We have achieved our 2025 Near Term Science Based Target this year: 30% reduction of Scope 1 and 2 emissions with a 2018 base year.

Carbon emissions

(measured as tonnes of CO₂e)

	Scope 1	Scope 2 Electricity + District Heating (market-based)	Total
2018	10,414	47,004	57,418
2019	10,378	46,614	56,992
2020	8,731	38,016	46,747
2021	8,445	38,095	46,540
2022	8,629	36,249	44,878
2023	9,701	30,790	40,491
2024	7,945	30,293	38,238

Note: The Scope 1 and 2 emissions location based and market-based (FY22) are independently verified in accordance with the International Standard on Assurance Engagements ISAE 3410 (limited assurance).

Energy efficiency actions

In the reporting year, we have continued to implement energy efficiency projects across our global operations. In total, Senior's environmental improvements in 2024 have the potential to reduce annual GHG emissions by 1,360 tonnes of CO₂e.

These improvements include enhancing energy efficiency in buildings through insulation upgrades, heating, ventilation, and air conditioning (HVAC) improvements, as well as further installations of LED lighting.

We remain focused on improving energy efficiency in production processes, including machine and equipment upgrades, compressed air system optimisation, and heat recovery initiatives. Eleven Senior operating businesses have implemented advanced energy monitoring software, providing granular insights into consumption trends across gas, electricity, and water usage. These systems enable plants to analyse energy consumption by service category, benchmark against baselines, and assess cost impacts via interactive dashboards. They also help detect anomalies, facilitating prompt investigations and corrective actions.

All of Senior's UK operating businesses and our Group Head Office are now powered by 100% renewable electricity. Additionally, Flexonics Kassel Germany and Aerospace Metal Bellows Boston USA have secured 100% renewable electricity contracts, collectively avoiding 4,000 tonnes of GHG emissions annually.

In the US, our SF Bartlett site continues to purchase renewable energy at a 50% renewable tariff, with other Senior sites making steady progress toward securing similar contracts. Our commitment to solar power also continues to grow, with Flexonics Olomouc solar installation achieving full operational status in 2024, capable of reducing GHG emissions by 40 tonnes annually. With this addition, the total number of our sites equipped with on-site solar photovoltaic (PV) systems now stands at four.

Waste

In 2024, we conducted a comprehensive review of waste streams across all our global operations. This effort enabled us to enhance data collection, providing a more detailed delineation of our waste categories.

Our waste recycling rate experienced a slight decline, decreasing from 95.1% in 2023 to 91.1% in 2024. This was largely influenced by a reduction in production activity in our Pacific North West businesses due to customer strike in the second half of 2024 and increased landfill use, which will be a focus in 2025. Eleven of our operational sites achieved zero waste to landfill in 2024.

Looking ahead to 2025, we are placing an even stronger emphasis on waste reduction and recycling, with a particular focus on improving recycling rates in regions where local infrastructure supports it.

➤ For information on hazardous waste, please see: www.seniorplc.com/sustainability

Water

At Senior, our objective is to minimise the environmental impact of our production processes by optimising water usage, particularly in regions facing significant water scarcity. Aware of the growing strain on global freshwater reserves, we are committed to identifying areas of high water risk and implementing strategies to reduce freshwater consumption in these regions.

We utilise tools such as the World Wide Fund for Nature (WWF) Water Risk Filter to pinpoint businesses located in water-scarce regions, enabling us to target our efforts where they are needed most.

In 2024, our proactive measures proved effective, resulting in a reduction of our overall water consumption to **240 megalitres, down from 260 megalitres in 2023.**

➤ For information on water, please see www.seniorplc.com/sustainability

Certification

All Senior legacy businesses hold ISO 14001 accreditation, reflecting our commitment to robust environmental management practices.

In 2024, our recent acquisition, Spencer Aerospace, began its journey toward achieving this accreditation, with a target to secure it in 2025.

At Senior, the Environmental Management System (EMS) under ISO 14001 is more than a framework it is a collaborative effort that unites our teams in pursuit of shared environmental goals. By fostering a culture of transparency and celebrating achievements, we inspire and engage our staff, cultivating a cohesive and motivated workforce dedicated to environmental stewardship.

OUR TECHNOLOGY AND PRODUCT DEVELOPMENT ON THE PATH TO NET ZERO

Delivering sustainable solutions

As the world transitions to a low-carbon economy, Senior continues to work with our customers to develop efficient and effective products that are more sustainable and have a lower environmental impact during the manufacturing process and while in use.

Our success is built on developing long-term partnerships with our customers, which enable us to help them meet today's challenges and deliver solutions for future low-carbon requirements. An example of this is our work to provide customers with more energy efficient solutions on existing internal combustion technologies while simultaneously helping these same customers bring to market efficient and viable electric and hydrogen power trains.

We have continued to reduce our carbon emissions (market-based Scope 2) by using more renewable energy and by employing more sustainable production methods and utilising more sustainable materials wherever possible. Reducing waste and the consumption of electricity and water during the manufacturing of the products remains a key focus. In 2024, we achieved a waste recycling rate of 91.1%. With operations in 12 countries, we are also able to be geographically close to major customers which helps to minimise the carbon footprint of our products.

2020 —————> 2030

AEROSPACE



Observation

The latest generation aero-engine technology can deliver up to 15% fuel-efficiency improvements.

Advanced Air Mobility (AAM) operators plan to start operations from 2025, but widespread acceptance is unlikely before 2030.

Our response

We have, and continue to win, significant content on systems critical to fuel efficiency on current best-in-class engines.

We are working with multiple AAM providers on prototype solutions for thermal management solutions.

Observation

Policies to mandate (EU & Singapore) and encourage (US) the increased use of SAF are being introduced.

Hybrid-electric propulsion systems for aircraft are being developed to support decarbonisation within the aviation sector.

LAND VEHICLE



Observation

The California Air Resources Board requires 67.5% NOx reductions by 2027. EURO VII standards (15% reduction in CO₂ emissions) to be introduced in 2025.

Semiconductor content in cars is increasing, especially in EVs. The US passed the CHIPS Act to secure supply, EU and India are implementing similar plans.

Our response

Our emissions controls products help vehicle manufacturers meet increasingly stringent regulations, such as our radial-fin EGR cooler for EURO-VII compliant diesel engines.

We are a key supplier to semiconductor equipment manufacturers.

Observation

The US EPA will tighten emissions rules countrywide from 2027.

Major car markets are implementing a COP26 agreement to ban new fossil fuel cars by 2035.

POWER & ENERGY



Observation

Nuclear power is increasingly seen as vital for a low-carbon future. The European Parliament voted to classify nuclear power as a green investment.

Companies requiring reliable base-load electricity for data centres are signing agreements for the supply of electricity with utility companies that have nuclear generating capacity and with developers of Small Modular Reactors (SMRs)

World leaders agreed to transition away from fossil fuels at COP28.

Our response

We are providing engineering design and bid support for expansion joints to OEMs of SMRs.

Our flue gas diversion products are mitigating the climate impact of conventional energy.

Observation

The EU's target for renewables within its energy mix is at least 42.5% by 2030.

The US is targeting a 50 – 52% reduction in GHG emissions below 2005 levels by 2030.

→ 2040 → 2050

Our response

Our current fluid conveyance solutions are fully compatible with SAFs.

We are collaborating with multiple customers on various components and systems for more-electric aircraft, whether with conventional or zero-emission propulsion systems.

Observation

Alternative-powered aircraft will increase demand for battery thermal management, fuel cell and cryogenic expertise.

Airbus' ZEROe H2 aircraft is planned for EIS in 2035.

Our response

Our Aerospace and Flexonics divisions are working together to develop various demonstrator hydrogen powertrain components for OEM customers.

Our response

We have patented solutions for electric vehicle (EV) inverter heat sinks (power electronics cooling), as well as battery thermal management systems.

We are developing fuel (H2) and exhaust water ducting solutions for hydrogen fuel-cell truck applications.

Observation

38 countries have committed to 100% zero-emission new truck and bus sales by 2040.

Our response

We are developing very high-pressure hoses capable of 1000 bar (40% higher than current capacity) for high speed H2 refuelling.

We are in series production of battery coolers and have won multiple contracts for fluid conveyance applications on BEVs.

Our response

Energy storage applications will grow in importance as renewable energy sources grow to be the dominant mode of generation.

Senior is already working with energy storage companies to develop thermal management solutions for this sector.

Carbon capture is another area where we are working with OEMs to develop solutions.

Observation

The IEA forecasts that under its Stated Policies Scenario the share of electricity in final energy consumption will increase from 20% in 2023 to 26% by 2035 driven by the electrification of end-uses, most notably electric vehicles and data centres.

Ensuring stable power supply for critical infrastructure such as data centres will be important.

Our response

Senior continues to work with its customers to provide thermal management solutions for EVs, while we have extensive experience in land-based solid oxide fuel cell ("SOFC") components used in backup power units for data centres.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (“TCFD”)

TCFD compliance statement – Senior’s climate-related disclosures for the year ending 31 December 2024 are consistent with the TCFD recommendations and recommended disclosures (set out in Section C of the 2021 TCFD Annex “Guidance for All Sectors”), and comply with the requirements of the Listing Rule 6.6.6R(8).

Governance

Oversight of climate-related risks and opportunities

The Board of Directors oversees climate-related matters within the Company with David Squires, the Group Chief Executive Officer, having ultimate responsibility for climate-related risks and opportunities. David Squires is supported in this by Mark Roden, the Group Director of HSE & Sustainability, who is responsible for the Company’s sustainability and climate-related disclosure and actions.

Assessing and managing climate-related risks and opportunities

Senior’s Executive Committee is responsible for assessing and managing climate-related risks and opportunities.

Key activities in 2024

Oversight

- **The Group Chief Executive Officer’s report to the Board** – presented at every scheduled Board meeting in 2024, the report covered the Group’s progress on non-financial sustainability metrics, such as waste recycling, water usage and reduction of carbon emissions; as well as Senior’s achievements in its sustainability initiatives, such as “A” rating in “Climate Change 2023” disclosures by CDP, and receiving a Low Carbon Innovation Award at “Safran IP Challenge 2024”.
- **Presentations to the Board by the Group Director of HSE & Sustainability** – having attended two Board meetings in 2024, Mark Roden presented the Group’s Scope 1 and 2 market-based emissions tracker, updated on the transition of the Group’s operating businesses to renewable or low-carbon electricity contracts, and progress made on Senior’s Supplier Engagement programme in respect of Scope 3 emissions. As part of the programme, Senior updated its Sustainable Sourcing Policy defining expectations for its suppliers to set and make progress towards their own science-based targets and environmental preservation goals.
- **Double Materiality Assessment (DMA)** – the Board reviewed the findings of the DMA, presented in the materiality matrix on page 12. Climate-related impacts, risks and opportunities will shape the Company’s strategic sustainability direction.

Senior’s climate-related governance framework



- **Audit Committee** – during 2024, the Audit Committee reviewed the Company’s TCFD disclosures included in the Company’s 2023 Annual Report & Accounts, and the external assurance over GHG emissions and waste recycling rate.
- **Remuneration Committee** – reviewed progress of the 2024 bonus potential determined by a target related to absolute reductions in Scope 1 and 2 emissions and discussed potential targets for the 2025 annual bonus plan.
- **Strategy** – as part of the annual Board Strategy meeting, consideration was given, among other matters, to the implications of IATA’s commitment to reach Net Zero carbon emissions by 2050 on the Group’s Aerospace Division, including the role of electrification and hydrogen in sustainable aviation. The Board also considered regulatory developments affecting its Flexonics Division, the progress of transition to electric vehicles across the world, and the role of nuclear power as an important contributor to achieving Net Zero.

Management

- **Climate-related data** – the Group Director of HSE & Sustainability oversees collection and monitoring of the Company’s data related to Scope 1, 2 and 3 emissions, waste recycling

and water consumption. Responsibility for carbon emission management and the development of the Energy Efficiency programme also resides with this position.

- **Divisional responsibility over climate-related matters** – Chief Executives of the Aerospace and the Flexonics Divisions have direct responsibility for ensuring that their Divisions meet the Group’s carbon reduction targets and supplier engagement responsibilities. They monitor customer demands, and are best placed to ensure that these requirements are reflected in future programmes as customers transition to low-carbon products.
- **Health, Safety and Environment (HSE) Committee** – the HSE Committee, chaired by the Group Chief Executive Officer, monitors the Group’s progress on its environmental targets, including Scope 1, 2 and 3 emissions.
- **Double Materiality Assessment (DMA)** – the Executive Committee approved conducting the DMA, with some members of the Committee participating in the internal stakeholder engagement process. Having reviewed the results of the DMA, the Committee agreed material sustainability (including climate-related) issues most critical to the Group based on financial and impact materiality.

Strategy

Climate-related risks and opportunities identified over the short, medium and long term

In 2024, we assessed climate-related risks, impacts and opportunities at a Group-level using the double materiality approach described on page 12.

The approach, aligned to the Corporate Sustainability Reporting Directive (CSRD),

ensures a more robust risk management process – it considers how climate change affects Senior (financial materiality), as well as the impact that Senior's activities and operations have on the environment (impact materiality).

The risks, impacts and opportunities, shown in the table below, are relevant to all of the Group's market sectors.

In line with the CSRD reporting framework, we adopted the following time horizons:

Rating	Range
S Short-term	1 year
M Medium-term	1–5 years
L Long-term	>5 years

Climate change mitigation

Decarbonisation of own operations and the supply chain. This includes the purchase and/ or generation of renewable energy, the achievement of Senior's science-based targets, effective long-term planning for climate transition and managing costs associated with decarbonisation.

Impact, risk or opportunity	Description	Value chain	Time horizon
Negative Impact	Negative impact on climate due to greenhouse gas (GHG) emissions arising from Senior's own operations, the supply chain and through product use.	Across the value chain	M L
Positive Impact	Senior's commitment to reach Net Zero GHG across the supply chain by 2040 will limit the Group's negative impact on climate. The Group is on track to achieve its Near-Term SBTi-approved Scope 1, 2 and 3 targets by the end of 2025.	Across the value chain	L
Financial Risk	Customers' shift to low-emission products and activism and protests against aviation, land vehicles and oil and gas may reduce demand for some of Senior's products. Similarly, activism and protests against aviation, land vehicles and oil and gas might become a threat to the reputation of Senior. This is mitigated by the fact that Senior's products help reduce emissions for both conventional applications and clean energy applications.	Across the value chain	M L
Financial Opportunity	Changing customer/consumer behaviour or preferences may increase demand for Senior's products which support the transition to a low-carbon economy.	Across the value chain	M L

Sustainable product design and lifecycle management

The incorporation of sustainable attributes into the product design phase with specific considerations for the product/service lifecycle. This includes changes to reduce the carbon impacts of products and services.

Impact, risk or opportunity	Description	Value chain	Time horizon
Positive Impact	The expansion of low-emission products will support customers, who operate in the hardest-to-decarbonise sectors, to transition to low-carbon and clean energy solutions, reducing their negative impacts on climate.	Across the value chain	M L

Responsible material sourcing and efficiency

The processes to ensure sustainable and traceable sourcing of raw materials, and the resilience of materials supply chains to impacts of climate change.

Impact, risk or opportunity	Description	Value chain	Time horizon
Negative Impact	The sourcing of finite materials (e.g. metals) may result in negative environmental impacts, particularly in countries with poorer environmental controls. This is mitigated by Senior's Sustainable Sourcing Policy.	Value chain (upstream)	S M L

Innovation – R&D and product innovation

The R&D, investment and innovation of more sustainable products, services and solutions.

Impact, risk or opportunity	Description	Value chain	Time horizon
Positive Impact	A switch to low-emission technology will reduce the amount of GHGs emitted into the atmosphere across the whole value chain, reducing negative impacts on climate.	Across the value chain	M L

The WWF Water Risk Filter analysis conducted in 2022 indicated that nine of our operating businesses were in areas of potential water scarcity. These are our businesses in India, South Africa and California (Senior Aerospace SSP, Senior Aerospace Jet Products, Senior Aerospace Ketema, Senior

Aerospace Steico Industries and Senior Aerospace Spencer), as well as our Flexonics and Aerospace businesses in Mexico. To date, Senior has not been subject to conditions where water scarcity led to interruptions in operations, although we are aware that severe localised water shortages can lead to potential

operational interruption and interrupted supply of products to our customers. We continue our focus on opportunities to reduce overall water consumption in each of these businesses.

Impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning

Products and services

Regulation and growing awareness of climate change are influencing customer preferences and increasing demand for energy efficient transportation, such as hybrid, fully electric and hydrogen powered vehicles. Senior is actively involved in this sector, offering innovative thermal management solutions for large battery packs to Land Vehicle markets (for public transport vehicles, commercial vehicles and some passenger vehicles). The Aerospace market is equally focused on energy efficiency, and Senior is working directly with several OEMs in areas such as the handling of sustainable fuel and the safety-critical conveyance of hydrogen within an aircraft. The Company has an opportunity to lead in this technology, leveraging its expertise in designing products with class-leading technical performance, which has the potential to increase sales in this growing market sector. Examples of this include battery cooling, electronics cooling, electric vehicle fluid handling and flex for vehicle range extenders, fluid conveyance hoses and tubes for hydrogen fuel cells.

Our engineering experts are working on exhaust gas recirculation ("EGR") systems with customers, addressing requirements that are driven by performance (lower carbon emissions) and the evolving legislation. Legislation drives lower NOx allowances for heavy-duty diesel engines. We recognise that internal combustion engines will be in operation for some time to come, that we need to keep on improving their energy efficiency, and that this will also contribute to improving transportation efficiency, alongside the roll-out of electric vehicles.

We continue to explore the use of specialised additive manufacturing equipment in some of our Aerospace businesses with a dual purpose: to develop and manufacture lighter metallic components, thereby reducing weight and, ultimately, saving fuel and reducing carbon emissions during flight. At the same time, lighter components will reduce waste in the production process, thereby decreasing the amount of material required (reducing our Scope 3 emissions) and the associated material cost.

➤ Read more on [pages 18 to 19 and 36 to 39](#)

Operations and supply chain

Climate change considerations are essential to energy efficiency and cost reduction strategies across Senior's operating businesses. Transitioning to renewable energy sources and, subsequently reducing Scope 1 and 2 emissions, has been an integral part of the Group's sustainability efforts for several years. Further information can be found on pages 15 to 17. We continued focusing on energy-efficient initiatives, such as improving building insulation, upgrading energy efficient lighting, installation of heat recovery systems and upgrading HVAC systems.

In 2024, we continued our collaboration with suppliers through the Carbon Disclosure Project (CDP), encouraging them to disclose their environmental data. Ninety-one of our key suppliers have declared they have set carbon reduction targets. In addition, Senior updated its Sustainable Sourcing Policy defining expectations for its suppliers to set and make progress towards their own science-based targets and environmental preservation goals.

Each site within the Group has a scenario-based Business Continuity Plan which is tested annually. This ensures that mitigation and adaptation measures related to the physical risks of climate change are addressed effectively. Further information on how we manage the risk of climate change can be found on page 55.

➤ Read more on [pages 15 to 17](#)

Impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning *continued*

Investment in research and development

Climate change is a fundamental element of the Group's business strategy. Senior's products and services help our customers reduce carbon emissions in Aerospace, from industrial process plants and from land vehicles. When we consider R&D spend and expansion, we assess sustainability of our products in terms of supporting our customers' aims to reduce energy consumption and carbon. For example, the development of new thermal management technology (e.g. components for fuel cells, advanced heat exchanger solutions, using laser welding for battery cooling plates) presents an opportunity for Senior to become a leader in the specialised applications of off-road vehicles, large trucks and aerospace, where reduced weight and optimum working temperature are critically important.

Acquisitions or divestments

Portfolio optimisation is a central pillar of our strategy. Whenever we analyse companies as potential acquisition targets, we carry out an assessment of that company's ESG credentials, including how its products will enhance the sustainability of our own portfolio, whether that company is committed to decarbonisation and has stated Net Zero targets, and how much that company is investing in improving the local communities in which it operates. Should we reach the stage of conducting due diligence on an acquisition target, we will conduct a full ESG analysis, potentially with external professional support. In terms of strategic fit, we will also assess the future markets of the company's products to ensure alignment with our own ambition of supporting decarbonisation in difficult markets, like Aerospace, Land Vehicle and Oil & Gas.

Access to capital

Sustainability remains an important factor for our investors and lenders when allocating capital. Senior's focus on sustainability leadership in its own operations and that of its suppliers, as well as supporting customers in their transition journey to Net Zero, will help Senior's financing needs in the future whether raising debt or equity. The Group's main syndicated Revolving Credit Facility of £115m is a sustainability-linked loan with Key Performance Indicators on carbon emission reduction and waste recycling rates.

Financial planning process

The Group's operating businesses have maintained their focus on internal efficiencies, particularly associated with Scope 1 and 2 emissions and made significant improvements as part of Senior's energy sustainability priorities, as described on page 15.

The Group monitors carefully the impact on demand for its products related to the transition to a low-carbon economy. For example, although some of Senior's operating businesses are seeing a reduced demand as a result of the decreasing market trend for diesel passenger vehicles in Europe, the overall effect in the Group is not significant as other product lines are filling demand. We are tailoring our financial planning to reflect these market changes. At the same time, the Group considers opportunities in new technologies that may require investment.

We consider climate change when assessing liabilities in the Group's operating businesses. The need to insure fixed assets and the adoption of safety measures to protect staff in areas subject to severe weather are current examples.

Resilience of the organisation’s strategy with reference to three climate-related scenarios, including a 2°C or lower scenario

In 2021, we carried out scenario analysis to understand the potential impact of climate change on the Group’s operations. We selected the three climate scenarios produced by the Bank of England because:

- they meet TCFD recommendations to assess business resilience at different climate-related scenarios, including a 2°C or lower scenario;
- these scenarios are used by the Bank of England to explore resilience of the UK financial system to climate change;
- the scenarios are modelled to a 30-year timespan, out to 2050 to align to the Paris Agreement and other Net Zero 2050 targets;
- they consider the macroeconomic impacts with more granularity and within a more applicable business context than climate scenarios based on temperature increases; and
- multiple high transition scenarios provide diversity in stress tests.

Further information on the assumptions and parameters used in the scenarios can be found on the Company’s website.

Scenario 1 (<2°C)	Scenario 2 (<2°C)	Scenario 3 (>3°C)
<p>Early policy action: smooth transition</p>	<p>Late policy action: disruptive transition</p>	<p>No policy action: business as usual</p>
<ul style="list-style-type: none"> • Decisive carbon action to reduce global emissions starts in 2021. • Carbon taxes and other policies intensify gradually over the scenario horizon. • Global warming is limited to 1.8°C by 2050 compared to pre-industrial levels. • Limited physical risks. 	<ul style="list-style-type: none"> • Delay in implementing the policy required to reduce global emissions by 10 years. • Starting in 2031, significant and rapid policy action causing drastic bending of emissions trajectory globally. • Global warming is limited to 1.8°C by 2050 compared to pre-industrial levels. • Limited physical risks. 	<ul style="list-style-type: none"> • Governments fail to introduce further policies to address climate change beyond those already implemented. • Increase in global temperatures reach 3.3°C by 2050 compared to pre-industrial levels. • High physical risks.
<p>Potential impact Policy changes start to accelerate, and consumer and investor preferences evolve rapidly to facilitate decarbonisation.</p> <p>In the short and medium term, Senior needs to ensure that its investment decisions are consistent with its science-based targets and deliver expected results.</p> <p>In the long term, it is important to keep pace with changing market demand for low-emission products and remain consistent between Senior’s public commitments and market expectations.</p>	<p>Potential impact A sudden increase in the intensity of climate policy in 2031, following an initial period which is characterised by insufficient or ineffective emission reducing policies.</p> <p>Senior needs to ensure that it takes action over this time period to avoid disruption in the long term as mature economies make rapid strides to cut emissions.</p>	<p>Potential impact Absence of transition policies result in a growing concentration of greenhouse gas emissions in the atmosphere.</p> <p>Increased exposure to heatwaves, tropical cyclones and droughts may increasingly provide challenge for some of Senior’s sites and supply chains.</p> <p>With less policy action and investment driving forward technology development, the costs of transitioning to the new technologies may be higher, the likelihood of successful implementation and the relative rewards for the investment may be lower.</p>
<p>Opportunities The ability to maximise returns on new investments in the long term, once transition has occurred and markets have stabilised.</p>	<p>Opportunities Early investment can set the Group up to be ready for the swift changes to the disrupted economy after 2030.</p> <p>Opportunities may materialise over the long term, due to the late policy action and the abrupt transition to a low-carbon economy.</p>	<p>Opportunities The Group’s continued investments and its ability to diversify business activities can help Senior be more resilient to changes in the markets and adapt to the impacts of climate change.</p>

Resilience statement

Having established our Long-Term Net Zero Targets, aligned to 1.5°C for all Scopes, we are taking proactive steps to ensure Senior’s operations remain resilient to the effects of transitional risks associated with scenarios 1 and 2. As part of our Energy Hierarchy, we shall continue prioritising energy efficiency initiatives and the use of renewable energy.

We actively engage with our suppliers, requiring them to set and make progress towards their own science-based targets and environmental preservation goals, and to integrate sustainable practices into their operations. This will help create a stronger and more resilient supply chain that is aligned to Senior’s sustainability goals. The Group’s focus on innovation and strong relationships with customers means we are well positioned to maximise opportunities offered by smooth and disruptive transition scenarios. We are proactively assessing the way climate change affects market demand for our products as part of our annual strategic meetings.

The physical impacts of climate change associated with scenario 3 could be significant. The Group’s business continuity plans play an important role in maintaining resilience against the potential physical impacts of climate change. By identifying potential vulnerabilities and implementing adaptive measures, the operating businesses will be well placed to maintain their functions, minimise operational disruptions and ensure long-term stability.

Risk management

The organisation's processes for identifying, assessing and managing climate-related risks

We identify, assess and manage the Group's risks using the risk management process shown on page 52. The Committee of Sponsoring Organisations of the Treadway Commission ("COSO") enterprise risk management integrated framework is used as the foundation of the Group's risk management process, tailored to reflect Senior's culture and Values. The process includes identification of relevant risks, risk scoring, development and assignment of response actions, monitoring the effectiveness of key mitigating controls and reporting of the risk and assurance environment to the Executive Committee, the Audit Committee and the Board.

In response to the upcoming CSRD reporting obligations, we revised our annual assessment of Group-level sustainability risks, impacts and opportunities (including climate-related) using the DMA described on page 13. Climate-related risks, impacts and opportunities were identified based on landscape review of our internal documents, industry bodies and regulators, investor ratings, customers, peers and sector reports. Further discussions were held with Senior's internal and external stakeholders to gain their perspective on which topics they

considered to be potentially material, resulting in a high-level, quantifiable short list of topics. Each short-listed topic arising over the short, medium and long term was scored based on impact and financial materiality, as described below:

- **Impact materiality** – each topic was assessed according to the ESRS and the European Financial Reporting Advisory Group (EFRAG) double materiality guidance against three parameters to determine its severity: scale, scope and remediability.
- **Financial materiality** – the calculation for financial materiality considered how each topic might affect the Group financially in terms of revenues, profit, cost of capital and asset value. This was aligned to Senior's existing risk management process, where scoring was based on the likelihood of a risk, as well as the magnitude of the affect in terms of operating profit and revenue.

For our 2024 DMA, short-listed sustainability topics were assessed on inherent basis. The results of the DMA were reviewed by the Executive Committee and the Board.

In 2023, Senior Flexonics Bartlett was selected as one of the operating businesses to pilot an assessment of climate-related risks and opportunities. The site completed its initial assessment in 2024, and the results generally

aligned with the Group-level climate-related risks and opportunities. Feedback gathered from this pilot assessment will be considered as the Group develops its operating business-level climate-related risks and opportunities assessment programme for the future.

Mitigating action plans, including a detailed description of the response action, assigned to the members of the Executive Committee and other senior members of staff, are developed for all material climate-related risks. Action plan progress is tracked to ensure timely implementation. The overall effectiveness of the risk control environment is closely monitored through assurance and audit activities to assess if critical risks are being mitigated within the Group's risk tolerance.

Integration of processes for identifying, assessing, and managing climate-related risks into the organisation's overall risk management framework

Climate-related risks and impacts form part of the Group's risk register and will be subject to an annual review by the Executive Committee and the Board.

Metrics and targets

Metrics used to assess climate-related risks and opportunities

Targets used to manage climate-related risks and opportunities and performance against targets

The table below illustrates targets and metrics we have selected to measure our climate-related risks and opportunities. We have chosen these metrics because we consider that they are relevant to the climate-related risks and opportunities facing Senior and regulatory and stakeholder expectations. Our targets, which are aligned to the Paris Agreement and the UK's Net Zero Strategy, demonstrate our commitment to reduce the GHG emissions of Senior's

operational activities, as well as addressing indirect emissions within our value chain. Our near-term Scope 1, 2 and 3 targets were verified by SBTi in 2021. In 2023, the SBTi approved our Long-Term Net Zero climate targets for Scope 1, 2 and 3 emissions. The targets, to be achieved by 2040, aligned to 1.5°C for all Scopes.

We continue to develop our high-level plan to reduce our emissions in line with our 2040 Net Zero targets against our 2018 base year. In 2024, we have worked to refine our Scope 3 calculation methodology, and in 2025 we will undertake further work to produce a more granular transition plan.

In 2024, the Remuneration Committee aligned remuneration for the executive Directors and senior management to non-financial performance metrics and agreed that 10% of the 2024 bonus potential would be determined by a target related to absolute reduction in Scope 1 and 2 emissions over the one-year performance period. The set target is consistent with the Group's SBTi-validated target of a 30% reduction in these emissions by 2025 (from a 2018 base year).

Climate-related target	Target year	Base year	Progress in 2024	Metric	Link to material climate risk
Reduce absolute Scope 1 and 2 GHG emissions by 30%	2025	2018	33.4% decrease (2023 – 29.5% decrease)	Tonnes CO ₂ e	
For Scope 3 GHG emissions, 82% of suppliers by spend to have climate science-based targets	2025	2018	91 (2023 - not determined)	Number of suppliers with science-based targets.	Increased pricing of GHG emissions/ cost of carbon offset Increased stakeholder concern or negative stakeholder feedback/stigmatisation of sector
Reduce absolute Scope 1, 2 and 3 emissions by 90%	2040	2018	Reporting to start in 2026	Tonnes CO ₂ e	
Achieve a recycling rate of 95%	2025		91.1% (2023 – 95.1%)	% of waste recycled	Increased stakeholder concern or negative stakeholder feedback/stigmatisation of sector

Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions

• The details of our Scope 1, 2 and 3 emissions, in compliance with SECR, can be found on [page 16](#).

SOCIAL



Health and Safety

Safety at Senior

At Senior, we foster a global safety culture that begins with senior leadership and permeates all levels of our global operations.

This year, through sustained effort, we achieved a reduction of over 40% in our Lost Time Injury and Illness Rate, building on an already strong performance.

Our safety initiatives are driven by **internal risk management Standards** and **critical controls**, which include:

- **22 specific prevention and risk management standards** addressing the core hazards of our business;
- **Ten Golden Rules for Safety;** and
- **a Behavioural Safety Standard** designed to prevent injury by supporting a positive safety culture.

Each standard is supported by critical controls that are carefully implemented and monitored to prevent fatalities and reduce the risk of serious injuries or incidents.

Our ongoing **safety training and communication** form the backbone of our commitment, empowering employees and contractors to proactively prevent incidents that could result in injuries, illnesses, or environmental damage.

In 2024, we continued a thorough review and update of our safety standards and critical controls, building on the progress initiated in 2023. These updates focused on making the standards more accessible and were reinforced with **new posters and videos** to enhance understanding and practical application across our sites.

Through these collective efforts, we remain steadfast in our goal to safeguard our people, operations, and environment.

Injury prevention at Senior

At Senior, safety extends beyond merely avoiding incidents it encompasses a proactive approach to implementing effective controls that prevent and mitigate potential outcomes.

Our safety teams continuously analyse trends in incidents and injuries across our global operations, identifying location-specific or role-specific concerns. When necessary, they develop **injury reduction plans** tailored to address these issues. These plans incorporate:

- **safety controls** to mitigate risks;
- **targeted training** to enhance awareness and skills;
- **work design** adjustments to promote safer practices;
- **specialised programmes** to address recurring challenges; and
- **engagement campaigns** to reinforce the importance of safety at all levels.

Through these initiatives, we remain dedicated to fostering a safer workplace for all visitors to our sites.

Contractor safety

At Senior, our safety commitment extends to everyone on-site, including temporary workers, contractors, and on site visitors. We have established **contractor-specific safety programmes** with tailored requirements and rigorous prequalification processes to uphold the highest standards of protection.

Our **contractor management procedures** require all personnel to complete a comprehensive onboarding process before commencing work. This ensures that everyone on site is informed about safety protocols, understands potential hazards, and is equipped to work safely.

These measures reflect our unwavering dedication to safeguarding every individual on site, ensuring they leave the workplace as safely as they arrived.

2024 injury performance highlights

In 2024, we made significant strides in improving workplace safety. Our Lost Time Injury and Illness Rate (LTIR) decreased to **0.19**, marking a 41% improvement from the 2023 rate of 0.32. Additionally, our Total Recordable Injury and Illness Rate (TRIR) which accounts for lost time, job transfers, and minor medical treatments remained stable at **0.63**.

In 2024, there were **no work-related fatalities** involving employees or contractors and **no major injuries** classified as serious or life changing.

In 2024

Lost Time injury and illness Rate (per 100 employees)

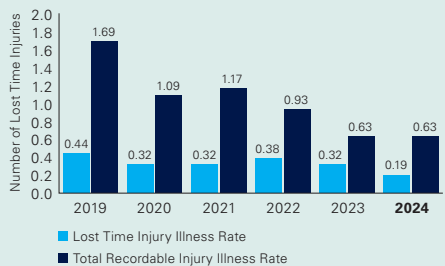
0.19
2023 – 0.32

41% reduction

Total Recordable Injury and Illness Rate (per 100 employees)

0.63
2023 – 0.63

Senior Group Injury rates



Lost Time Injury and Illness Rate ("LTIR"), defined as the number of work-related lost time injury and illness cases (losing more than one complete shift) per 100 employees.

The Total Recordable Injury Illness Rate is defined as the number of cases of lost workdays, restricted work activities, job transfers, medical care beyond first aid and work-related illnesses expressed per 100 employees.

Safety initiatives in 2024

- A new behavioural safety programme for our supervisors was rolled out.
- A new Senior Safety Standard covering ergonomic assessments was introduced.
- Additional expert assistance was provided to those businesses with the most improvement opportunities.

Case study

SUPERVISOR BEHAVIOURAL SAFETY PROGRAMME

In 2024, we launched a safety programme specifically designed for our supervisory-level employees. This initiative is built around our Senior Safety Behaviour Standard and delivered through face-to-face workshop sessions at our business sites. The programme focuses on coaching supervisors to identify and reward positive safety behaviours while emphasising the importance of fostering a proactive safety culture.

Developed in Q2 2024, the programme began rolling out in Q3, with additional workshops planned for 2025 to further embed these practices across our operations.

Image: Nick DeBruyne, Group Safety, trains supervisors in Senior Mexico.



Equality, diversity and inclusion



Jane Johnston | Group HR Director

“At Senior we promote an inclusive culture where individuals can thrive. We are committed to providing equal opportunities for all and value diversity.”

Our core Values underpin our culture

At Senior we are committed to ensuring equal opportunities, fairness of treatment, work-life balance, and the elimination of all forms of discrimination in the workplace for employees and job applicants. Senior’s leaders aim to create a working environment in which everyone can thrive, achieve their full potential, and contribute to the success of Senior, and where all decisions are based on skills and merit. We recognise that good business decisions are based on gathering different perspectives. We encourage individuals to speak freely, respecting alternative views and cultures.

Senior promotes a culture and working environment in which everyone can make the best use of their skills, free from discrimination or harassment. Our Values define how we treat people, and in our 2024 Global Employee Opinion Survey we saw improved scores for all of our Values including respect and trust. We expect employees to treat everyone they meet in the course of business with respect and dignity, reinforcing our commitment to be open and straightforward with colleagues, customers, suppliers and other stakeholders. As well as our Values, the right behaviours are reinforced in our people policies and processes, for example, talent acquisition, succession planning, promotions and learning and development opportunities.

In 2024, we updated our Code of Conduct with every employee receiving a personal copy. The Code has specific sections explaining how we value diversity and inclusion and emphasising that we are committed to preventing discrimination, harassment and bullying. The Code of Conduct and Human Rights policy are translated into our designated languages, and we included a module on Unconscious Bias in the 2024 Code of Conduct training.

The Executive Committee and business leaders continue to focus on providing a diverse and inclusive workplace. Gender diversity receives much attention in Senior, and we believe that there remains an opportunity for further improvement, particularly in our operating businesses general management. To support our objective to increase the number of women in these operational leadership roles we have launched a Women’s Network, creating a steering committee to lead the network and identifying an executive sponsor. We are confident that the network will provide a forum to empower individuals as it will bring women across Senior together to discuss ideas and

shared experiences in a supportive and productive environment, creating strong peer-to-peer support and confidence, as well as providing an impartial and open forum to encourage and inspire.

The table below shows the Group’s Board of Directors, Executive Committee and operational senior management in 2024 by gender.

	Male	Female
All employees	78%	22%
Senior managers who report directly to the Executive Committee	80%	20%
Executive Committee	62%	38%
Board	44%	56%

Senior is an equal opportunities employer. We strive to reflect the diversity of the communities we work in at all levels across our workforce. The Board seeks to ensure a diverse workforce that supports all employees, irrespective of age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, gender or sexual orientation. We will not tolerate any form of unlawful discrimination against our colleagues, or any third parties be they potential employees, customers, subcontractors, suppliers or members of the public.

In accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, Senior publishes its Gender Pay Gap Report, as required on the Company’s website.



People and culture

In our autonomous and collaborative Business Model, operating business leaders are empowered and accountable for setting the tone for their operations, guided by our Values. In May 2024, we ran our Global Employee Opinion Survey. We partner with Workday, a market leading provider to run the survey and deliver it in multiple languages. 85% of our employees completed the survey, which for a manufacturing business where around two-thirds of our employees do not have ready access to a computer, is an excellent response rate. The survey provided a wealth of valuable information in relation to our culture. Following the survey, operating business leaders worked with their HR leads to understand what they do well and areas for improvement.

The overall engagement score increased from 7.2 in October 2022 to 7.5 in May 2024. The survey identifies "Drivers" which are key areas measured in the survey that drive engagement. In 2024, the Drivers that were most improved were Reward, Strategy, and Workload. The scores improved in all areas other than Goal Setting and Freedom of Opinions, which stayed the same as the prior survey, and Environment which showed a small decline. This decline in the Environment score was driven by a reduction in the score for Informal Space and around half of our businesses have identified working environment as an area to take further action in 2024/25. Every operating business developed action plans based on the survey feedback and shared them with their teams.

In 2024, we also asked employees "How do you feel about Senior's Purpose which is to 'Help engineer the transition to a sustainable world for the benefit of all our stakeholders?'". In the main, our employees were positive about Senior's Purpose with comments such as "I feel proud to be part of an organisation that prioritises engineering", "it's inspiring to be part of an organisation that prioritises sustainability" and "I am proud to be part of this". However, it was clear that some employees did not see themselves as stakeholders highlighting that additional communication around this would be beneficial.

We remain focused on recruiting and retaining talent to sustain business resource requirements and growth. In order to meet our short and long-term talent requirements, we have continued to build strong relationships with local technical colleges, universities and education establishments, as well as partnering with recruitment firms. We are extending our use of job boards and other approaches to advertising and attracting applicants to build a strong talent pipeline. We have completed the roll-out of Recruit, our talent acquisition system, to all our UK and US businesses, thereby enhancing the candidate experience. The job market remains competitive for certain geographies and skills, and we have worked hard to secure the right talent.

Talent acquisition and retention is supported by our ongoing work to enhance our employee proposition. Informed by our employee engagement survey feedback, and other feedback mechanisms, our actions are making

Senior an even more attractive place to work. To that end many of our businesses have actively participated in career fairs and other activities that highlight the career opportunities available, and on a broader level, inspiring the engineers of the future. Examples of the steps we have taken to enhance our employee value proposition include flexible working, promoting our employee assistance programmes and introducing other support mechanisms such as mental health first aiders. We continue to be vigilant regarding rates of pay and the cost of living, ensuring we are paying people fairly for the work they do, and benchmarking pay rates in local markets, making adjustments if appropriate.

'Perform', our Performance and Development system provides a framework for managers and team members to discuss feedback, performance, behaviours linked directly to our Values, set clear objectives, both for business and personal development and create development plans. In order to enable individuals to fulfil their potential, learning and development needs are assessed during individual performance reviews and the output of these discussions feed into our succession planning process. For shopfloor operations teams, operating businesses undertake performance reviews, primarily paper based, to enable employees to discuss their performance, behaviours and development plans. The Executive Committee scrutinises succession plans and talent pipeline, identifying successors or interim cover for key roles across the Group. The Executive Committee also focuses on functional capability, for example engineering, as well as operational leadership. The Board reviews the succession plans for the Executive team and their direct reports on a regular basis, with a special emphasis on encouraging diversity and inclusion.

Training and development remained a priority in 2024. Business leaders work with their teams and HR to plan and design training to meet the business needs of their operation. In our autonomous and collaborative operating model, operating businesses conduct their own training needs analysis and learning and development plans, including technical, on the job and skills training. We continue to view the provision of development opportunities and training across the Group as vital to our success. As well as partnering with external providers to build our bench strength and support succession planning, every operation has a comprehensive offering of internal training. Examples of this include training activities such as Toolbox talks; "lunch and learns"; technical training; operational excellence, including lean manufacturing; as well as sponsoring individuals undertaking external and more academically orientated courses and training, for example engineering degree courses.

Our leadership programme, Leading for Excellence continues to receive positive feedback, meeting the development needs of our future leaders. The programme runs over six months and is a mix of virtual and face-to-face sessions as well as one-to-one coaching. The

programme culminates in the delegates presenting business projects they have worked on to hone their skills, embed their learning and return real business benefits through delivering a key project for their operating business.

'Learn', our best-in-class eLearning platform allows individuals to self-select training as well as being directed to specific content, for example following a personal development discussion. We have continued to enhance the content in Learn. The catalogue covers areas such as IT skills, Leadership and Management, Project Management, Health & Wellbeing and Communication skills, available in all our languages. Learn also enables us to deliver our Code of Conduct training and other compliance training. In 2024, we launched Trade Compliance training to US employees, two cyber security courses, one for all IS and IT teams and one for selected business leaders, and an AI training course which all employees with emails were asked to complete. We also used the platform to launch the in-house developed Preventing Workplace Violence training to meet the new California legislative requirements and, following the new duty under the Equality Act 2010 in the UK, all UK employees were issued with Preventing Sexual Harassment training.

As in the Global Employee Opinion Survey at the end of 2022, peer relationships remained a strength in the 2024 survey with a culture where colleagues help and support each other. We have an open and honest culture of respect and trust, and people value teamwork and the teams they work in and with. Our businesses have onboarding processes to ensure that new team members feel welcome and well informed, enabling them to become valued team members, and in the opinion survey, the engagement score for employees with less than one year's service was higher than the overall Senior score. A significant proportion of learning is on the job and our culture of sharing knowledge and supporting colleagues remains central to developing technical competencies in our operations.

The culture across Senior is to build on our successes and learn from our mistakes. We say thank you, with our businesses holding regular employee recognition and team building events. As well as feedback received via the opinion survey, we encourage open and honest feedback with potential issues or concerns being raised with local management. The feedback from the survey was consistent with this and confirms that employees believe that people are treated fairly and that we do not tolerate misconduct. As outlined in our Values and Code of Conduct, we work together with mutual trust and respect and operate with integrity and in an ethical manner. On the rare occasion when an employee or employees have a concern that cannot be resolved by local management, employees are encouraged to raise their concerns through our third-party whistle-blowing service, EthicsPoint. All concerns raised are investigated and learning points are actioned by local leadership teams as appropriate.



Employee wellbeing

In addition to receiving feedback on how engaged our employees feel we also asked a series of specific Health and Wellbeing questions in the Global Employee Opinion Survey. The overall Health and Wellbeing score improved by 0.2, taking it to 7.7. In all areas the Health and Wellbeing scores improved. However, the businesses have not been complacent, and many have set actions to further improve employee wellbeing. Examples include monthly health drives, providing healthy snacks, initiatives to improve muscular skeletal wellness and subsidised gym memberships.

Across Senior we provide a range of wellbeing support and education to employees as appropriate to local needs. Many have promoted specific health drives, for example, menopause awareness, health checks, flu and COVID vaccinations, and road safety education. We have a number of individuals specially trained to support colleagues with mental health issues and employee assistance programmes in many of our businesses. One of our larger businesses has partnered with a counsellor who attends the site on a regular basis to support employees, as needed. Other examples of how we support employees include offering subscriptions to wellbeing apps, creating quiet spaces for employees and start-of-shift exercise stretching classes.

Financial wellness is also important for wellbeing and businesses have provided support in this area as well. In the UK we continue to support employees with our financial wellbeing service and operations have invited benefits providers to our facilities to offer information and answer employee's questions.



Colleagues at Senior Aerospace Mexico enjoy a family day, touring the facility and learning about the Company.

Colleagues also enjoy participating in sports activities, team building, sports events, and family days such as the one held at Senior Aerospace Mexico. During this event, employees' families visited our facility to get a firsthand look at the environment, tour the factory, interact with teams, and learn about the processes that contribute to the Company's success.

We continue to launch new wellbeing content on Learn and it goes without saying that we remain vigilant regarding occupational health, for example ergonomics, supported by our Health and Safety frameworks.

Senior global employee opinion survey results

Overall engagement score
(of a max of 10)

7.5

Employee participation

85%



Health and Wellbeing score
(of a max of 10)

7.7

Health and Wellbeing

Max Score: 10



Total comments

44,294

Values

Max Score: 10



Communities

Senior's businesses actively support local communities by undertaking a range of education-focused and charitable activities. Here are some examples, to name but a few, of the activities our businesses and employees have undertaken to support their local communities:

A number of our businesses support local food banks with Senior Flexonics Canada providing freshly grown produce grown by our employees. As well as supporting local schools with STEM initiatives by sponsoring the STEM club, Lymington Precision Engineering ("LPE") again worked with an infant school as part of the school's engineering week. Businesses have hosted local trade schools and technical colleges, providing an insight into working for an engineering company and giving students an opportunity to see engineering in action. Senior Aerospace SSP supported ReIGNITE HOPE, a charity that provides support to help disadvantaged individuals, for example individuals transitioning from being unhoused and/or long-term unemployed to get into work. SSP did this by offering placements to individuals who received welding training from ReIGNITE HOPE. Both Senior Aerospace Thailand and Senior Aerospace Malaysia employees participated in blood donation drives.

Senior Aerospace BWT participated in the Salvation Army Toy Appeal 2024 and as a result of employees' generosity handed over 150 toys. In May 2024, Senior Aerospace Jet & Ketema helped raise funds to support Quality of Life Programmes for Navy personnel by participating in the Navy Bay Bridge 5K Run/Walk and in October they participated in the 5K Walk to End Alzheimer's, raising funds to further the care, support and research efforts of the Alzheimer's Association.

In August, Cape Town faced severe storms and flooding, which tragically impacted some of our employees, including the devastating loss of their homes. In response, our team demonstrated solidarity and compassion by coming together to donate food, clothing, and toiletries, providing much-needed support to help them rebuild their lives.

In 2024, Senior Metal Bellows continued their participation in HEESCO's St. Patrick's 5K. Thirty-two employees took part and raised money for the charity, with two of the runners coming first in their age groups. HEESCO provides support and services for individuals living with a disability, and their caregivers. Senior Aerospace Thailand showed their commitment to keeping fit and raising money again with 40 runners participating in the Pattaya Marathon.



Senior Aerospace Thailand employees participate in blood donations.



Senior Aerospace Jet & Ketema raised funds for the Alzheimer's Association by participating in the 5K Walk to End Alzheimer's.