

# News Release

22<sup>nd</sup> June 2023

## Kyoto Investment and Partnership Agreement

Spirax-Sarco Engineering plc, the leading global thermal energy management and fluid technology solutions Group, announces that it will take an ownership stake in Kyoto Group (Kyoto) and enter into agreements to accelerate the decarbonisation of industrial process heat with Kyoto's Heatcube, a molten salt thermal energy storage solution.

Subject to formal approval at Kyoto's Annual General Meeting to be held on 30<sup>th</sup> June 2023, Spirax-Sarco Engineering, Kyoto and Iberdrola, Europe's largest electricity utility by market capitalisation and a global leader in clean energy, will enter into investment, partnership and commercial agreements to support the development of Heatcube as a world leading technology.

Through Vulcanic, which was acquired by Spirax-Sarco Engineering in 2022, the Group has been working with Kyoto since 2021 providing the electric immersion heater and power control systems that power Heatcube.

Spirax-Sarco Engineering will invest £3 million in return for a 15% share of Kyoto's issued share capital. The partnership agreement covers the commercial and technological development of electrical heaters, as well as other Spirax-Sarco Engineering technologies, for existing and future generations of Heatcube to support commercialisation and market adoption.

Nicholas Anderson, Group Chief Executive, Spirax-Sarco Engineering plc, said: "Enabling the decarbonisation of critical industrial processes is central to our Group's Purpose. We have been actively investing in new-to-world decarbonisation solutions through product development since 2020. As we already provide some of the technology that sits behind Heatcube, getting actively involved in supporting Kyoto through direct investment and partnering is a natural extension of our activity in this area.

"We are excited to be working with the teams at Kyoto and Iberdrola in a new, progressive alliance that has a shared purpose to provide innovative solutions that are good for our planet as well as for business."

### Enquiries:

Nicholas Anderson, Group Chief Executive  
Nimesh Patel, Chief Financial Officer  
Mal Patel, Head of Investor Relations

### About Spirax-Sarco Engineering plc

Spirax-Sarco Engineering plc is a leading global thermal energy management and fluid technology solutions Group that aims to deliver sustainable value to all its stakeholders through engineering a more efficient, safer and sustainable world. . It comprises three world-leading Businesses: Steam Specialties, for the control and management of steam; Electric Thermal Solutions, for advanced electrical process heating and temperature management solutions; and Watson-Marlow, for peristaltic pumping and associated fluid path technologies. The Steam Specialties and Electric Thermal Solutions Businesses provide a broad range of fluid control and process heating products, engineered packages, site services and systems expertise for a diverse range of industrial and institutional customers. Both Businesses help their customers improve process efficiencies, meet environmental sustainability targets, improve product quality and enhance the safety of their operations. Watson-Marlow provides solutions for a wide variety of demanding fluid path applications with

highly accurate, controllable and virtually maintenance-free pumps and associated technologies.

The Group is headquartered in Cheltenham (UK), has 40 strategically located manufacturing plants around the world and employs more than 10,000 people, including more than 2,100 direct sales and service engineers. Through its One Planet: Engineering with Purpose Sustainability Strategy, the Group is committed to achieving net zero emissions for scopes 1 and 2 by 2030 and for scope 3 by 2050. In 2022, the Group launched its TargetZero solutions for the decarbonisation of critical industrial processes.

The Company's shares have been listed on the London Stock Exchange since 1959 (symbol: SPX) and it is a constituent of the FTSE 100 and the FTSE4Good Indexes.

Further information can be found at [www.spiraxsarcoengineering.com](http://www.spiraxsarcoengineering.com)

#### **About Kyoto Group**

Heat accounts for two-thirds of industrial energy consumption. Traditionally, nearly all of it is based on fossil fuels. Kyoto Group's Heatcube, a thermal energy storage (TES) solution, provides a sustainable and cost-effective alternative by capturing and storing abundant but variable energy from sources such as solar and wind. Founded in 2016, Kyoto Group is headquartered in Oslo, Norway, and has subsidiaries in Spain and Denmark. The Kyoto share is listed on Euronext Growth (ticker: KYOTO). [www.kyotogroup.no](http://www.kyotogroup.no)

#### **Heatcube**

Kyoto Heatcube provides thermal energy storage and heat generation in one product. It supplies industrial customers with the technology needed to lower both their costs for producing process heat and their CO<sub>2</sub> emissions using intermittent renewable energy sources instead of fossil fuels for heat production.

Heatcube can be configured with storage capacities from 16 MWh to over 96 MWh, with a discharge effect for each Heatcube of up to 20 MW. It is an innovative, low-cost, and modular storage solution for thermal energy that can use multiple renewable energy sources to heat molten salt to over 415 degrees Celsius. The high-temperature salt is then used to produce steam for industrial production processes.

#### **About Iberdrola**

Iberdrola, Europe's largest electricity utility by market capitalization and one of the world's top three electricity companies, is a leader in renewables, spearheading the energy transition to a low carbon economy. The group supplies energy to almost 100 million people in dozens of countries. With a focus on renewable energy, smart networks and smart solutions for customers, Iberdrola's main markets include Europe (Spain, the United Kingdom, Portugal, France, Germany, Italy and Greece), the United States, Brazil, Mexico and Australia. The company is also present in growth markets such as Japan, Taiwan, Ireland, Sweden and Poland, among others.

The company has a workforce of over 40,600 and assets in excess of €154.6 billion. In 2022, Iberdrola posted revenues of nearly €54 billion, net profit of €4.34 billion, with €7.5 billion paid in tax contributions in the countries where it operates. The company helps to support more than 400,000 jobs in communities across its supply chain, and global supplier purchases topped €17.8 billion in 2022. A benchmark in the fight against climate change, Iberdrola has invested more than €130 billion over the past two decades to help build a sustainable energy model, based on sound environmental, social and governance (ESG) principles.

[www.iberdrola.com/home](http://www.iberdrola.com/home)

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