

VISION

To be the leading provider of sustainable and resilient water and climate management solutions for the built environment

We will do this by building a world-class sustainable business and by leveraging our core UK competencies across key markets around the world.



STRATEGY

A combination of emerging factors such as climate change, increasing urbanisation, skills shortages on-site, and changes in legislation is leading the construction sector to seek innovations and modern methods to tackle these challenges, while ensuring safe on-site working methods, reduced time to install and reduced total cost of ownership. Polypipe's position as a market leader with strong heritage, broad product and service portfolio, advanced research and development capability and growing international presence, makes it ideally placed to help its customers tackle many of these challenges.

While Polypipe is well known and respected as a manufacturer of plastic pipe products particularly for plumbing, drainage and water management solutions, the Company's acquisition of Nuair greatly increases its ability to offer broader engineered solutions to customers who also face the challenge of climate management associated with heating, ventilation, cooling and air quality. The innate product benefits of plastic offer the Company the opportunity to make gains against manufacturers of 'legacy material' solutions in many of the markets it already leads – offering further growth where the brand is already well established. As awareness continues to heighten around environmental factors, and increased legislation is applied in a variety of sectors, Polypipe is well placed to continue to grow in the UK, and abroad.

OUR STRATEGIC OBJECTIVES

1

SUSTAINABLE WATER MANAGEMENT SOLUTIONS

The demand for comprehensive water management solutions continues to rise. Extreme rainfall events, driven by climate change, are becoming more frequent. In response, the Government has introduced new legislation. The Floods and Water Management Act 2010 sets out new ways to manage surface water through sustainable drainage systems (SuDS). Polypipe has responded to this challenging market by developing engineered Water Management solutions, including geocellular and large diameter pipe systems for retention, attenuation and infiltration applications, surface water treatment products and rainwater reuse solutions, all supported by in-house design, technical, fabrication and product support teams.

2

SUSTAINABLE CLIMATE MANAGEMENT SOLUTIONS

Although currently no Government legislation is in place, there is growing public awareness of the need for better indoor air quality. Particularly in urban areas, the levels of toxins, nitrogen dioxide and particulates from heavy traffic in particular can cause health problems for occupants who may be particularly susceptible. Through its Nuair business, Polypipe can propose solutions that address indoor air quality through active filtration systems to remove particulates, and humidity and temperature management systems. Many ventilation systems specified today include heat recovery systems, Mechanical Ventilation with Heat Recovery (MVHR) that, as well as improving air quality, also recover heat from the air being expelled so it can be used to heat the incoming air, offering significant savings on the costs of heating the properties or operating the premises.

3

LEGACY MATERIAL SUBSTITUTION

Using engineered plastics rather than traditional materials such as concrete or clay can lead to innovative project solutions that offer transportation, installation and cost-saving benefits. As thermoplastic pipes are inherently lighter in weight than legacy materials, they are quicker and easier to install. Polypipe produces pipes and fittings utilising recycled materials where appropriate and all products are recyclable at the end of their useful life. These benefits combined with Polypipe's strong brand and technical expertise, offer potential for Polypipe's propositions to penetrate further against legacy materials such as concrete, clay, or copper pipes.

4

PROPOSITION AHEAD OF LEGISLATIVE TAILWINDS

As legislation continues to tighten to meet the international performance targets on water management, air quality, carbon reduction, and city resilience, Polypipe continues its long-term investment into Water Management and Climate Management solutions.

For example, Government planning policy has defined the need for sustainable drainage systems (SuDS) to ensure that flood risk is taken into account during all stages of the planning process. This planning policy is further interpreted into national frameworks, local legislation and regulations, which provide a dynamic legislative environment. Polypipe's solutions are engineered to address these challenges, providing an effective controlled retention, attenuation or infiltration system to suit site-specific requirements.

5

GEOGRAPHIC REACH

With Polypipe's UK standard-based products, and the esteem that UK manufacturing is held in within a number of growing markets around the world, the Company seeks to expand in selected further markets. Many factors supporting Polypipe's growth are not unique to the UK, such as urbanisation, managing water as a scarce resource, combined sewer systems already at capacity, urban island heat effect, and poor air quality.

The track record of growth in the UK, and the collective learning that the Group has developed over time, form the basis of a set of unique competencies across the Group, which position Polypipe well for future development outside the UK.

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COMPLEMENTARY ACQUISITIONS

Acquisition of market-leading companies such as Nuair has seen Polypipe do more than broaden its manufacturing base, with the Company also diversifying its offer and giving the brand further scope to sell an increasingly broad range of systems to its customers resulting from the growing convergence of requirements of separate systems. Supplementing the Group's existing product portfolio, these acquisitions help to accelerate the Group's strategic priorities, capability and product ranges' offerings – particularly in the areas of material substitution and Water Management and Climate Management solutions.

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CONTINUOUS INVESTMENT IN PROCESSES AND EFFICIENCY INITIATIVES

A key component of Polypipe's success has been its efficiency initiatives, with the Company committed to reducing its environmental impact in producing its systems. This, in turn, has led to reductions in waste – both material and financial. Continuous improvement initiatives across the Group, through factory automation, as well as investments in fleet and logistics, have led to significant improvements in overall operational efficiency. Polypipe has been able to streamline its processes by increasingly selling complete engineered solutions to customers. Rather than simply selling pipe, Polypipe has made best use of its manufacturing facilities and expertise to manufacture in-house a complete range of complementary fittings and ancillaries, enabling design of bespoke systems, and improved services for customers.



New continuous corrugation investment at Horncastle



Investment in robotic automation at Broomhouse Lane