

Sustainability review

People

Inspiring our people to flourish



The Weir Group's vision is a zero-harm workplace for people and an environment where everyone goes home safe and healthy.



Introduction



People are at the heart of the Group's 'We are Weir' strategy with our commitment to caring for our colleagues, our neighbours and the environment and inspiring them all to flourish.

The quality and commitment of our people has always been a competitive advantage for the Group, from the engineers that design our equipment to the operations staff who manufacture it and the on-site experts who support our customers around the world.

As a business that relies on a high-performance culture, we appreciate the importance of offering our people the opportunity to fulfil their potential and provide a workplace that keeps them safe, engaged and inspired to do the best work of their lives.

To achieve that, we invest in safety programmes, learning and development opportunities and leadership. We are also committed to developing a new sustainable engagement score to measure our progress in developing an even more effective organisation.

In addition to developing our employees, the Group takes its responsibility to developing the next generation of employees seriously. This includes supporting programmes that encourage more young people to consider engineering as a career.

Chief Executive Officer's Safety Committee

The CEO's Safety Committee was established in 2016 to give Board-level leadership to the Group's ambition of becoming a zero-harm workplace. The Committee consists of senior leaders from across the Group, including the three divisional presidents and the Chief People Officer and embodies the priorities of our Safety Charter. The Committee oversees Safety, Health and Environment (SHE) performance, ensuring the Group systems and processes are best set up to deliver our Zero Harm vision.

SHE Excellence Committee

The Safety, Health and Environment (SHE) Excellence Committee supports the Board and provides leadership, co-ordination and support for the delivery of the Group SHE objectives set by the CEO's Safety Committee. It is tasked by the Board to drive continuous SHE improvement across the Group through setting and assessing rigorous standards that are comprehensive, risk-based, deliverable and built on the best practice of our peers, customers and professional bodies. The progress towards an increasingly behavioural safety culture has been the priority of the SHE Excellence Committee and is evident in the focus on the engagement elements of our Zero Harm strategy.

SHE performance

2017 is a year that the Group should feel proud of when it comes to SHE. Having challenged ourselves to make a material reduction in the number of lost-time incidents as well as maintaining our continuous positive trend regarding overall recordable injuries as represented by the Total Incident Rate, we delivered an excellent performance. All three Divisions made significant improvements and contributed to a 33% reduction in Lost Time Incidents from 30 to 20 and a 20% reduction in the broader Total Incident Rate to 0.53. In addition, the injuries associated with the lost time incidents were much less severe.

Bringing safety and operations even closer together

Weir Valves & Controls USA Inc. (WVC USA) is proud of their current safety record, but that doesn't stop the team from constantly looking for areas for improvement.

The company based in Ipswich, Massachusetts, has always had a safety-centric culture and, in 2017 its President (Mark Claffey) and its Director of Operations (Bert McGrath) implemented a system which is designed to capitalise on their employees' passion for safety and empower them to implement change.

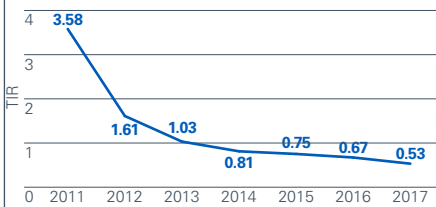
WVC USA took elements of the famed Japanese system, Kaizen, and applied it to areas of their business operations. Kaizen translates as 'continual improvement' and is a system which is often used within lean manufacturing. Weir Valves and Controls USA, taking the key elements of Kaizen, now encourages cross-functional teams to review existing processes, products and services to look for new, safer methods and solutions.

The system has been successful throughout its first year, with teams of employees from different fields feeling empowered to find solutions through innovation and 'out of the box' thinking. Mark Claffey stated: "I am proud of the Ipswich plant employees who have embraced and actively participated in this safety process. As we continue on the path to Zero Harm, a true safety culture shift is only successful with education, awareness and participation of all shop and office employees."

Bert McGrath added: "I am very impressed with how everyone has reacted to the safety Kaizens and the results we have seen so far. Our business has always been safety focused and this new system generates real enthusiasm for safety and a mindset to innovate."

Sustainability review: People continued

Total incident rate (TIR)



Contributing to this performance was a refresh of our Weir Zero Harm strategy to reflect a more behavioural approach to safety and our drive to make safety a part of every conversation within the third element of Weir Zero Harm. Everywhere in the Group, people are engaging with safety in a way that is giving everyone the opportunity to identify safer ways of working and sharing the responsibility of looking after each other in the workplace.

Strategic developments in SHE

2017 saw the introduction of the Group’s Global e-management system, SHIELD, dedicated to SHE. SHIELD gives the Group a platform on which every single employee has a presence. It has streamlined the recording, investigating and reporting of all SHE-related activity across the whole Weir footprint and it provides a timely and accurate analytical tool to help inform the wider SHE strategy.

Delivering our duty of care

Many of the Group’s employees travel regularly and we have a comprehensive process to ensure they stay healthy and safe at all times. This includes offering advice before, during and after any trip. This provides our significant travelling population with the reassurance that wherever they are going and whatever they may encounter, there is a world-class system supporting them.

Diversity and Inclusion (D&I)

As a global company operating in over 70 countries, we benefit from a wide diversity of talents and aim to ensure everyone is given the opportunity to flourish regardless of their gender, race, beliefs or background.

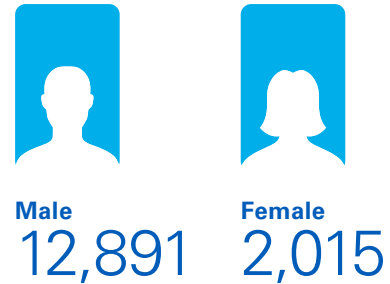
Our commitment to becoming a more diverse and inclusive workplace made significant progress in 2017:

- A project team was re-formed to work on Group-wide D&I initiatives.
- D&I plans were developed by every business unit and there has been good initial progress.
- Groups from our Senior Management Team have worked on ‘D&I’ initiatives throughout the year.
- Open innovation challenges have been held throughout 2017, which bring diverse teams together to develop innovative solutions to business challenges and opportunities.
- Weir Gabbioneta, based in Italy, took part in a diversity day event, to promote the diversity and inclusion of disadvantaged people within the labour market. People dealing with impaired vision, deafness, motor disability and Down syndrome were keen to seize the opportunities that the world of work can offer them.

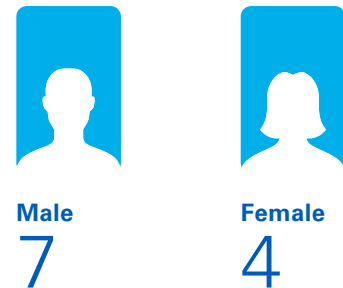
Weir University, our online learning platform, continues to offer a range of modules to help our people increase their knowledge and skills.

In 2017, we continued to encourage more young people to consider STEM-related careers in many of the countries in which we operate. In the UK, for example, we have continued our support and involvement with Primary Engineer and the Arkwright Scholarship Trust. As part of our continued commitment to the Arkwright Scholarship Programme, we provided one week summer work-experience placements in Canada and the Netherlands for one scholar from our 2015 intake and two scholars from our 2016 intake respectively. The students spent time learning about our businesses in both countries, visiting the engineering, operations and commercial teams. The students reported on all aspects of their trips and met with Jon Stanton at the end of the year to share their experiences with him. Weir has been supporting Arkwright since 2012.

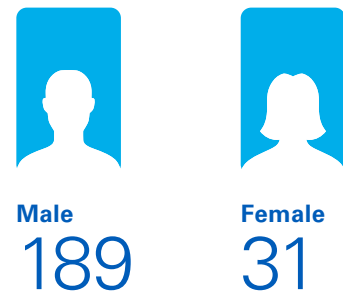
Gender diversity – total employees



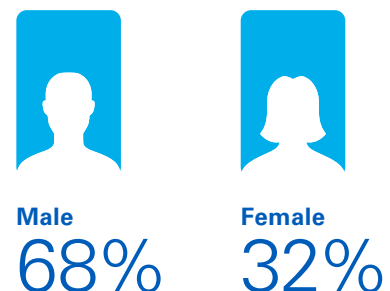
Gender diversity – Board



Gender diversity – senior management



Gender diversity – graduate intake





Leadership capability

We continue to invest in our leadership development programmes, including Weir Leader 4.0 and the Weir Business Management and MBA programmes. To complement this, we have introduced a new Weir Leader framework which is aligned with 'We are Weir'.

The senior leadership of the Group has been strengthened through a mix of internal and external hires and a number of key roles have been introduced in support of our technology agenda, in particular.

Employee engagement

Employee engagement enables our employees to realise their potential and contribute to improving business performance.

During 2017, we embedded 'We are Weir' throughout the Group including hosting the first ever global CEO 'Town Hall' meetings. These enabled employees from every part of the Group's operations to gather and question the CEO on any issue of their choice. The level of engagement was high and the feedback was very positive. This was followed by regular CEO briefings and the introduction of a direct 'AskJon' email address via which employees can raise any issues they may have.

In addition, the Group launched an internal social network to allow employees to share best practice across operations. There was a strong uptake, with more than 4,000 members regularly sharing stories and collaborating across the world.

These innovations were in addition to more established communications channels such as the Group intranet and bulletin newsletter.

A communications survey of employees received more than 1,400 responses with the majority indicating they felt employee engagement across the Group had improved in 2017 and they had a good understanding of the We are Weir strategic framework.

Weir Leadership Programme

In 2017, we launched the Weir Leader 4.0 Programme with 26 leaders from across Weir coming together to embark on a nine-month learning journey.

The programme has been designed to build Weir Leaders' capability and commitment to deliver 'We are Weir' against the background of Industry 4.0.

The core of the programme is centred around two four-day sessions where the focus is on understanding 'We are Weir' and leaders' role in delivering it successfully, being clear on the expectations of them as a Weir Leader and about the legacy they want to create for Weir.

Through a framework that incorporates strategic, performance, inclusive and change leadership dimensions, the participants completed a '360 feedback' that will allow them to continue to work on the capabilities and behaviours they will need to achieve impact and success.



Further details of our people development programmes can be found at www.careers.weir

Weir Minerals Africa

In 2017, Weir Minerals Africa was delighted to participate in the annual Take-a-Girl-Child-to-Work Day® for the second year in a row. Weir hosted 53 female learners and eight teachers, from nine different schools, at both our Isando and Alrode facilities. The event had several objectives, including providing an insight into the "world of work" to give female students positive

role models; helping them achieve their aspirations by motivating them to reach their full potential; providing a platform to discuss the needs of female students and their role in South Africa's socio-economic development; as well as to showcase the exciting opportunities within the engineering and manufacturing environments. The event supports our ongoing commitment to the development of STEM programmes and attracting talent into manufacturing and engineering, in particular.



Sustainability Review:
People continued

Weir gender pay gap report – 2017

Respecting equal opportunity and promoting diversity and inclusion

At Weir, we aim to be the most admired engineering business in our markets and we'll achieve that ambition by being the employer of choice everywhere we operate. We are committed to attracting and retaining the best people, and no matter where we are in the world we encourage fairness, respect and equal opportunities for everyone.

We value differences and believe that diversity of people, backgrounds, skills and experience makes us stronger and more effective.

In this report, we provide our gender pay gap information for our consolidated UK businesses, and we outline how we are working to close the gap.

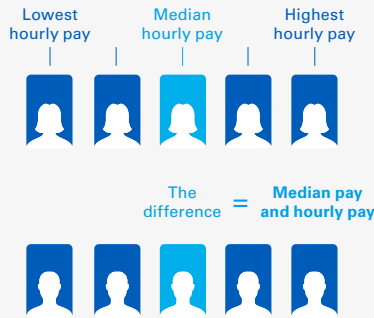
Although Weir operates within industries which have been dominated by men historically, we are committed to making Weir a more diverse and inclusive workplace and we will continue to deliver opportunities for women to develop their careers. By 2020, we have committed to ensuring that one-third of the Board, the Group Executive and their direct reports will be female. In addition, the Board will annually review our progress against gender pay D&I initiatives.

The requirements and our outcomes

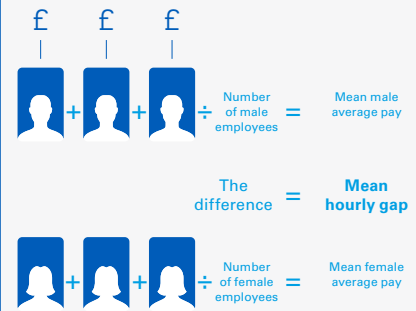
The UK Government's Gender Pay Gap Regulation requires legal employing entities with 250 or more employees to publish details of their gender pay and bonus gap. In Weir, there are two employing entities required to publish this data, but we have taken the opportunity to publish the consolidated data for our four UK companies as this covers our entire UK workforce.

Understanding our pay gap

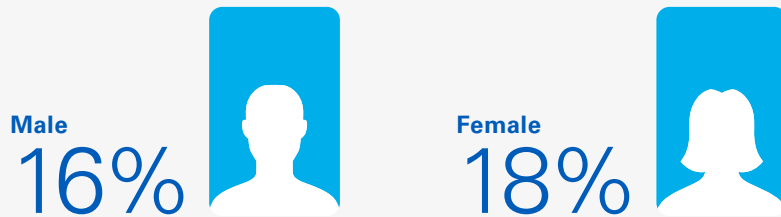
How we calculate the median difference



How we calculate the mean difference



Proportion of employees receiving a bonus



We need to encourage and attract more women at all levels of the organisation. Here in Peru we have a female Managing Director and Finance Director, which I believe is unique in Weir, but I am sure it will become increasingly common.

Karina Zevallos
Managing Director,
Weir Minerals Peru



Jenny McGeough
Manufacturing Director,
Weir Minerals Netherlands



There is a definite move to make Weir more diverse and inclusive, which is great. Personally, I have found the Group to be a good place to build a career irrespective of gender, but of course we'd all like to see more female role models across the business.





By 2020 we have committed to ensuring that one-third of the Board, the Group Executive and their direct reports will be female. In addition, the Board will annually review our progress against gender pay D&I initiatives.



Weir UK¹

Mean and median pay and bonus gap

	Mean	Median
Gender Pay Gap	8%	10%
Gender Bonus Gap	22%	11%

Proportion of males and females receiving a bonus

Male 16% Female 18%

Proportion of males and females in each pay quartile band

Pay Quartile	Male	Female
Upper	87%	13%
Upper Middle	88%	12%
Lower Middle	88%	12%
Lower	76%	24%

Gender pay and equal pay

The gender pay gap is different from equal pay, which relates to men and women being paid the same for similar roles or work of equal value. Our pay policies are designed to ensure equal pay for equal jobs and we have processes in place to ensure pay levels are reviewed consistently.

Understanding our background and what our pay gap tells us

In common with other companies within the engineering sectors, the majority of our employees are men (86.5% as at 31 December 2017). Although we are taking actions to bring more women into our companies and to promote internally, they are currently under-represented in our senior roles which is reflected in the upper pay quartile outcomes. Globally, we are making progress on increasing our female leadership, but we need to build more opportunities for women in our UK businesses.

As regards the bonus gap, only our leadership roles are eligible for participation in our LTIP programmes

and these roles are male dominated. It is expected that over the next few years, the bonus gap will increase in line with the vesting of our LTIP awards for the leadership group, and also to reflect the vesting outcomes of awards held by our Executive Directors and UK-based Group Executive Members.

Improving diversity and working to close the gap

As a global company, we aim to reflect the diversity of our customers, and we seek to recruit, develop and promote people regardless of background and personal circumstances.

We are committed to making Weir a more diverse and inclusive place to work because we believe it improves the performance of our teams and we are committed to delivering current and new initiatives to make Weir a more diverse and inclusive place to work.

- Driving best practice: a cross-business group working on Group-wide D&I priorities including diversity training. During 2017, we established #Weirunitediversity, on Yammer, which is being used by our employees to share knowledge, learning and best practice.
- On a regular basis, our businesses undertake diversity audits against our diversity maturity model. This enables us to identify areas of best practice and to develop action plans to address areas needing improvement. Progress of resulting actions and initiatives is monitored by our Group Executive.
- Encouraging women into STEM: Weir Flow Control France is working with the French Ministry of Education to promote diversity and inclusion in the engineering sector, partnering with the government on an initiative which aims to boost the number of women pursuing careers in mechanical engineering. We have also founded the Association of Female Engineers to support and promote successful women in engineering to students in colleges and university.
- Weir Wise: we have partnered with the University of Strathclyde to inspire young female students to become the next generation of engineers. On a two-day programme, participants learn about the benefits of studying maths and physics, participate in team-based challenges and gain awareness of the university and Weir.
- Targeting 50% female intake on our global graduate programme.
- Primary Engineer – Weir Group is supporting Primary Engineer 2017–2020 with funding towards two programmes: 1) Leaders' Awards and 2) Institution of Primary Engineers and Institution of Secondary Engineers. Leaders' Awards is a free-to-schools programme, where pupils from both primary and secondary schools engage with engineers. As part of the programme, pupils interview an engineer and then, inspired by them, use engineering to solve a problem. They illustrate their invention and all entries are marked by engineers or those working in the industry. Students at the Faculty of Engineering at the University of Strathclyde then select a winning entry to be turned into a prototype each year. Through the Institution of Primary and Secondary Engineers, it is Primary Engineer's aim is to develop the skills and confidence in teachers first and then extend from this secure foundation into the classroom, with programmes focusing on skills delivery and development. Weir's own engineers are also working with Primary Engineer in schools where they have a presence, attending some of these sessions.
- Leadership development: we are looking to expand our learning and development programmes to provide more support for women with the establishment of mentoring groups. As we roll out this initiative, we will also pilot a reverse mentoring programme to build awareness, knowledge and empathy.
- Flexible working: we are working with our local business leadership teams to investigate ways we allow employees to work to suit their personal responsibilities and circumstances.
- We are a member of Opportunity Now which empowers employers to accelerate change for women in the workplace.
- We are a member of Race for Opportunity which is committed to improving employment opportunities for ethnic minorities across the UK.
- Charles Berry, our Chairman, is on the steering group of the Hampton-Alexander Review which aims to improve the representation of women in leadership positions of FTSE 350 companies.

Further details

A copy of the full report can be found on our website www.genderpay.weir.

1. This represents the consolidated data for our four UK companies which covers our entire UK workforce.

Sustainability Review

Ethics

Committed to business integrity



Introduction



At Weir, we are proud to be a business which strives to achieve the highest ethical standards and sound business principles. This is firmly reflected in our corporate values and in our Code of Conduct. We understand our role in the communities we work in, and beyond, and the influence we can have to drive change.

We also recognise the responsibilities that we share with our suppliers and we remain committed to establishing open and transparent relationships with them.

We are committed to business integrity and high ethical standards. We operate under a Code of Conduct which promotes honest and ethical behaviour and our aim is to ensure that our customers, suppliers, investors, employees, and the communities where we operate have the confidence to trust us.

FTSE4Good

We have been a member of FTSE4Good for seven years, an equity index series that is designed to facilitate investment in companies that meet globally recognised corporate responsibility standards. The Company is proud to have been able to consistently meet the stringent environmental, social and governance criteria set by FTSE4Good and we remain committed to continuously improving our performance in 2018.

Transparency International

We are a member of Transparency International UK's Business Integrity Forum, the UK's leading anti-corruption forum for businesses in all sectors. This membership enables us to support Transparency International's global movement of seeking a world free from corruption. We have signed up to a set of principles and remain committed to fight against corruption and ensure that we are honest and accountable in the business that we do and that we strive to respect fundamental human rights and freedoms.

Code of Conduct

Our Code of Conduct sets out the Weir values in a clear and concise manner. It promotes compliance with applicable laws, rules and regulations and provides details on how we expect our people to conduct themselves on a day-to-day basis, both internally and externally. The Code of Conduct provides a clear framework for decision-making in line with our values and behaviours. It applies to all Weir employees, agents and suppliers. Various measures are taken to ensure that we only enter into business relationships with third parties who are committed to applying similar standards. We not only stress the importance of complying with the Code of Conduct but also encourage our employees to promptly report any concerns or apparent breaches that they may become aware of without fear of retribution. Employees can also choose to report concerns anonymously through our Ethics Hotline.

Our current Code of Conduct is available to download, in 13 languages, from our website.

We provide targeted mandatory e-learning training in respect of the Code of Conduct to employees who are deemed to have a potentially higher risk of exposure to bribery and corruption as a consequence of their geographic location and/or decision-making responsibilities.

To date, 4,700 employees have completed the anti-bribery and corruption compliance training. All new employees who are deemed to fall into the higher risk category must undertake the training as part of their induction. After completion of the training, all participants are asked to confirm that they have read, understood and will comply with the Code of Conduct.

The Code of Conduct is reinforced through various means of communication with our employees, such as Town Hall meetings, conferences, training courses and our integration process in respect of new acquisitions. We have an established training programme in place and the Weir legal team continues to provide face-to-face training to employees of various operating companies worldwide. In 2017, the team conducted training in Trio USA, Trio China, Weir Minerals Europe, Weir Minerals Africa, Weir Gabbioneta and Weir Dubai.

Any employee found in breach of the Code of Conduct may be liable to disciplinary action, up to and including termination of employment or cancellation of contract. We also ensure that we have a right to terminate any agency agreement in the event that any agent is found to be in breach of its ethical obligations.

Information on the Code of Conduct and its application in the Company's supply chain can be found in the Suppliers and third parties section below.

Conflicts of interest

Our Conflicts of Interest Policy places particular emphasis on outlining what may constitute a conflict and the correct process for disclosing any perceived conflict to management. The policy provides clear guidance to all of our employees to assist them with understanding the mandatory requirements for the identification, reporting and management of actual or potential conflicts of interest.

Anti-bribery and corruption

As part of our commitment to continually monitoring and improving anti-bribery and corruption practices throughout our global operations, we have reviewed our anti-bribery policy and expect to implement the update of this policy in 2018. In addition, our internal audit department regularly undertake anti-bribery and corruption reviews. They maintain a cyclical, risk-based plan with four Code of Conduct reviews specific to anti-bribery and corruption undertaken during 2017 in addition to our standard internal audit programme of both full and limited scope reviews. No indicators of any bribery or corruption were found in 2017.

Gifts and hospitality

A review of our Gifts and Hospitality Policy was undertaken in 2017 and the focus in 2018 will be on training and raising continued awareness of the Gifts and Hospitality Policy.

Modern Slavery Act

We understand our role in eradicating slavery of any kind. Following a review of our existing policies and practices and in light of the introduction of the Modern Slavery Act in the UK, we published our first annual Modern Slavery Statement in March 2017 and have subsequently developed a training programme for specific employees on this issue. A copy of our statement can be found on our website at www.global.weir/site-information/modern-slavery-statement.pdf. This statement details the steps we are taking to ensure that slavery and human trafficking do not take place in any of our supply chains or in any part of our business.

We have a number of measures in place to protect human rights including the Code of Conduct, Weir Supply Chain Policy, Weir SHE Standards and a programme of supplier audits and reviews. Our Human Rights Policy has also been updated to ensure it reflects recent legal developments in this area. In addition, a mandatory e-learning training programme has been developed and is, in the first instance, aimed at employees who are located in identified high-risk jurisdictions. The e-learning programme aims to increase awareness and compliance with the Modern Slavery Act and Weir's responsibilities.

General Data Protection Regulation (GDPR)

With GDPR being applicable from May 2018, we have been reviewing and updating existing policies and procedures and, where applicable, implementing new practices to ensure compliance with the new legislation.

Suppliers and third parties

We source raw materials, components and services across the globe. Our suppliers play a critical role in our business and our relationships with them are based on achieving best performance, product, delivery, service and total cost in an ethical and sustainable manner. Embracing a closer relationship with our key suppliers is fundamental to our Value Chain Excellence initiative.

We recognise that our responsibilities extend to our supply chain. We have a Supply Chain Policy which sets out the minimum standards we expect our suppliers to abide by with respect to:

- business ethics;
- how they treat their workforce;
- legal and regulatory compliance;
- health and safety; and
- environmental standards.

Weir is a member of the UK government-sponsored Prompt Payment Code (PPC), which sets standards designed to support on-time payment to small and medium sized enterprises (SMEs) as well as wider payment procedures. Best practice is administered by the Chartered Institute of Credit Management and compliance with the principles of the PPC is closely monitored and enforced by the PPC Compliance Board.

In addition, the Group is committed to working only with third parties, including customers, sub-contractors, suppliers and joint venture and strategic alliance partners, whose business ethics and behaviours are consistent with our own Code of Conduct.

Our Code of Conduct is issued to all of our key suppliers. Assessments are undertaken with regard to compliance with Group standards and Group policies as part of the vetting process for new suppliers. In addition, key suppliers are audited regularly to ensure ongoing compliance. We are also implementing a mandatory training programme for our employees to improve their understanding and ability to identify signs of Modern Slavery within supply chains to promote fair and honest business practices. Wherever possible, we work with our suppliers to support them to address weaknesses identified.

Conflict Minerals Policy

We continue to monitor guidance and legislation in relation to conflict minerals and in particular the responsible sourcing of tungsten, tantalum, tin and gold (the '3TG' minerals). Along with internal briefings and updates, we have prepared a Conflict Minerals Policy in order to ensure compliance as necessary. We continue to work with our customers to provide the supply chain information when required.

Sustainability Review

Our Communities

Building relationships with
our local communities

Introduction



Weir is a global business which operates in over 70 countries. We set clear expectations for how each of our businesses should interact and engage with people and other organisations. Wherever we operate in the world, we aim to:

- enhance the local community by running our operations safely, ethically and responsibly;
- respect the communities we operate in; and
- invest in the communities for the long-term mutual benefit of the community and Weir.

We strive to build close relationships in our communities by keeping local people informed about projects which might affect them. If issues arise, we listen and do our best to help to find a solution. Our Ethics Hotline is available for any individual to use if they wish to raise concerns about ethical and compliance-related conduct involving any Weir Group company.

In addition to approaching community relations in an open and transparent manner, we seek to support charitable organisations through donations and volunteering.

We recognise that as an organisation with a global reach, our influence is not insignificant, particularly in developing countries. Our charitable and philanthropic work focuses on the key priorities of improving the health and education of our employees and the local community. We recognise that contributing to these important areas can have an enduring positive effect on the local area.

In addition to supporting charitable organisations, Weir contributes to local communities by being a source of employment, education and training; through the payment of taxes; and, in many instances, the contribution to local supply chains. This can make a substantial positive contribution to the communities in which we operate.

The Group supports the health of its employees, their families and communities through various programmes and initiatives, which are often run in partnership with local service providers.

Weir is a 147-year-old engineering company, and our commitment to training is as strong in the 21st century as it was in the 19th. We are dedicated to developing engineering excellence and we were the first company in Scotland to set up an apprentice school. Weir is a founding member of the Institute of Primary and Secondary Engineers, an institution which seeks to promote science, technology, engineering and mathematics subjects to school children of all ages in the UK.

Weir provides experience and training to develop the next generation of engineers. Although our focus is on engineering, we also provide work placements and internships across all sectors. Our placements give young people from around the world the opportunity to experience working for a global business.

Charitable giving

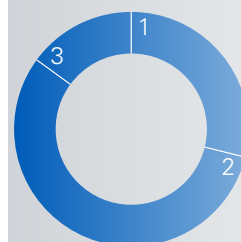
In 2017, the total amount of charitable donations made by Group companies was £533,603 (2016: £456,000). We do not make political donations. Our charitable donations include cash and non-cash items such as services, materials, employee time and use of corporate facilities.

In 2017 the Group continued to support Newlands Junior College, a vocational school that provides career opportunities to young people who have become disengaged from the traditional education system. The College provides vocational training and helps young people to develop and reach their potential. The Group donated £100,000 to Newlands Junior College in 2017.

The Group continues to support The Arkwright Scholarships Trust following initial engagement in 2012. Partnering with organisations in industry and professional engineering institutions, the programme identifies and nurtures high-potential students in UK schools, encouraging them to pursue engineering or technical design at university or through a higher-level apprenticeship. In 2017, the two scholars who were recruited in 2016 undertook a five-day summer placement at our facility in Venlo, the Netherlands. We were delighted to welcome another two scholars onto the programme at an awards ceremony in Edinburgh in October 2017.

The Group continued to support Primary Engineer in 2017. Primary Engineer is a not-for-profit organisation which

Charitable donations



1 Community	29%
2 Education	56%
3 Health	15%



We support the communities that we operate in through the payment of taxes, employment and philanthropic efforts.



aims to encourage young people to consider careers in science, technology, engineering and mathematics (STEM) by offering primary and secondary schools a way to deliver practical mathematics and science to design and make activities. Moving forward, the Group will support Primary Engineer with the Scottish Engineering Leaders Awards and continues to support the Institute of Primary Engineers and Institute of Secondary Engineers.

Employee activities

We are very proud of the charitable work that our people undertake. Our businesses operate their own policies for supporting these, whether by matching donations, providing support or equipment or by allowing employees to participate in charitable activities during working hours.

During 2017, our employees undertook many charitable projects. A small selection of these projects is highlighted below.

Weir Minerals Peru tree planting

In August 2017, Weir Minerals Peru held its second volunteer initiative, ‘Hands of Solidarity – Tree Planting Campaign 2017’. The objective was to highlight the importance of environmental care and preservation by planting trees and shrubs, while improving the appearance of the park adjacent to the Weir Minerals facility in Lima. More than 100 employees volunteered and participated with great enthusiasm and team spirit. Three groups were organised: Air, Water and Land. The ‘Air’ group participated in planting 90 trees and shrubs in the park. The ‘Water’ group planted more than 300 shrubs to create a hedge, and the ‘Earth’ group sowed more than 250 m² of grass seed. In total, 3,000 m² of green space was landscaped.

The Warman® Design and Build Competition

The Warman® Design and Build competition, established by Engineers Australia and sponsored by Weir Minerals, has been providing first and second year mechanical engineering university students in the Asia-Pacific region the platform to apply their knowledge in a practical application for the past 30 years. From brainstorming of ideas and building

prototypes, through to showcasing the final models, this comprehensive competition gives competing students real insight into the engineering design process. Weir Minerals are very proud to be a part of this reputable academic competition and would like to thank every university that has taken part over the last 30 years — the competition wouldn’t be where it is today without their ongoing support and participation.

Weir Marine Engineering gives a helping hand to the Montreal homeless

In 2017 a group of 15 Weir Marine Engineering employees took part in The Supper Experience at Montreal,

Canada’s Old Brewery Mission (OBM). The OBM is a local charitable organisation that helps Montreal’s homeless men and women by providing hot meals, mental health programmes, and social housing, as well as finding permanent solutions to re-integrate these men and women back into society. It was a very humbling experience for those that participated and they all left the mission with a greater sense of gratitude for their own circumstances. In the month leading up to the supper experience, the group held a number of fundraising activities and with the help of their colleagues, they managed to raise over 2,000 CAD for the OBM and surpassed their primary goal of 1,500 CAD.



Sustainability Review

Environment

Creating opportunities to improve the environmental performance of our operations and those of our customers.



Introduction



We are committed to doing business responsibly and sustainably. How we operate is just as important as how we deliver financial success.

We believe that acting in an environmentally sustainable way protects and creates long-term value, not just for our shareholders, but for all our stakeholders, and supports the long-term future of our business.

In a competitive world with finite resources, managing the environmental performance of our operations makes good business sense.

We actively invest in research and development through our central research and development hub as well as through its network of academic research partners in some of the world's leading universities.

This enables us to develop and exploit emerging technologies to create new products for our end markets and provide competitive advantages to our customers through leading edge technology, with improved operational efficiency and environmental management, reduced energy consumption, emissions, water use and waste production.

2017 performance highlights

Operational control

The Weir SHE Management Standards set our expectations and provide a framework for environmental risk management, incorporating key elements such as regulatory compliance, risk assessment, self-audit, and employee engagement.

Our continued commitment to robust environmental protection is well reflected in the performance of our facilities.

We are pleased to report a 2.5% increase in overall compliance with environmental standards across our businesses during 2017, compared to that assessed in 2016.

Environmental protection

No environmental incidents, penalties or fines were reported at sites under the operational control of the Group during the year ended 31 December 2017.

Operational resilience

As a business with global reach we can be exposed to a wide range of extreme weather events in different geographic locations.

In 2017 'Hurricane Harvey' landed in the US, the most powerful hurricane to hit the state of Texas in more than 50 years, and one of the country's costliest natural disasters with damage estimated at \$125 billion (£90 billion).

Creating a more sustainable future

Our role in the circular economy

We are proud to play a role in helping our partners and customers move towards a more circular economy.

A circular economy seeks to design out waste and pollution, keep resources in use for as long as possible, extract maximum value whilst in use, then recover and regenerate at the end of service life.

Circularity has clear environmental and social benefits, reducing pressure on natural finite resources by rethinking and redesigning beyond the traditional linear economy of 'Take, make, and dispose'.

During 2017, Weir Minerals Europe secured the perfect opportunity to support regional ambitions for greater circularity through a new waste recovery facility in the Netherlands. The facility is being built by ACCN (Ash Cleaning Company Netherlands), a joint venture between Boskalis Environmental and Inashco.



Seven sites within our Oil & Gas division were affected to varying degrees.

Fortunately, our employees were unharmed and our sites only suffered temporary closures. Thanks to asset resilience and a robust response from the division, eventual business interruption was minimised and the financial impact was contained to £545k (\$750k).

We continue to enable our customers to protect their own operations and business interests through our technical support and innovative products.

For example, the total mine dewatering solutions provided by Weir Minerals, drawing on extensive engineering and application expertise.

It is important, particularly where water is in short supply that we continue to develop technology to ensure that the water drawn out by dewatering systems becomes a resource for mining or even for other uses by communities surrounding the mine sites. Rather than it going to waste, it is increasingly important to manage and reuse the water effectively, improving the resilience of mine site processes and activities in increasingly harsh environments.

Resource efficiency

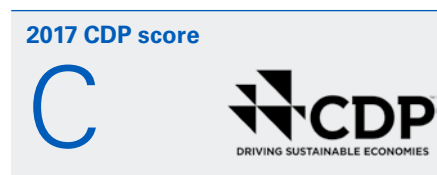
Our foundries and manufacturing facilities continually seek to improve resource efficiency and to reduce costs; delivering real results for our Value Chain Excellence initiative.

Over 15,100 tonnes of scrap metal were reused within our foundry operations during 2017, comprising 42% of all metal poured in the foundries (2016: 34%). This was a notable increase on 2016 figures and a great outcome from efficiency-focused initiatives, such as the Foundry Best Practice Forum.

CDP climate change initiative

We submit annual CDP reports to share our risk management approach to climate change and our greenhouse gas (GHG) emissions performance.

In 2017, we achieved a score of 'C: Awareness' for changes implemented to business strategy and the reductions in GHG emissions achieved.



Greenhouse gas emissions

As an energy and carbon intensive business, operating seven foundries worldwide, the Group recognises the importance of measuring and minimising the greenhouse gas (GHG) emissions from operations over which it has control.

The Group's total annual GHG emissions in tCO₂e for the year ended 31 December 2017 were 133,737 tCO₂e (2016: 136,167 tCO₂e). This comprises a 2% decrease in total absolute GHG emissions for the Group when compared with 2016 figures.

During 2017, total GHG emissions for our seven foundries decreased by 3%. Carbon intensity of the metals poured improved marginally with the use of lower carbon fuels.

With the Weir Minerals Europe (WME) total solutions approach and its excellent cross-team collaboration, we secured an order for a range of equipment, including Warman Slurry Pumps, submersible Screw Flow Pumps, Cavex Cyclones, a Linatex Dense Medium Separator, Trio Coarse and Fine Material Washers and a TRIO Impact Crusher.

Once built, our equipment will enable the advanced washing installation to recycle up to 500,000 tonnes of bottom ash, a by-product from the incineration of household waste in nearby waste-to-energy plants, into valuable raw materials, including metals, sand and gravels.

This follows technical advice and specialist equipment provided by WME for the HVC WASH facility in the same region, the world's first large-scale fully integrated washing plant for incinerator bottom ash. The facility diverts bottom ash from landfill, provides recycled raw materials for road construction and concrete products, and also separates valuable metals for reuse.

With expertise in innovative equipment and industry-leading knowledge of waste recovery and recycling, WME is proud of the critical role it plays in solutions for a more circular economy.

Total annual GHG emissions

	Global annual GHG emissions (tCO ₂ e)			GHG emissions intensity (tCO ₂ e per £m revenue)		
	2017	2016	Baseline: 2013	2017	2016	Baseline: 2013
Scope 1 emissions: fuel combustion and operation of facilities	33,300	37,170	53,316	14.1	20.1	21.9
Scope 2 emissions: purchased electricity and heat	100,437	98,997	107,581	42.6	53.7	44.3
Total	133,737	136,167	160,897	56.7	73.8	66.2

Annual GHG emissions from foundries

	Annual GHG emissions (tCO ₂ e)			Proportion of global annual emissions (%)			GHG emissions intensity (tCO ₂ e per tonne of metal poured)		
	2017	2016	Baseline: 2013	2017	2016	Baseline: 2013	2017	2016	Baseline: 2013
Scope 1 emissions: fuel combustion and operation of facilities	10,799	13,536	16,738	8.1	9.9	10.4	0.3	0.4	0.5
Scope 2 emissions: purchased electricity and heat	52,432	51,501	48,705	39.2	37.8	30.3	1.5	1.5	1.4
Total	63,231	65,037	65,443	47.3	47.7	40.7	1.8	1.9	1.9

Scope 1 emissions: fuel combustion and operation of facilities. Scope 2 emissions: purchased electricity and heat.

We report on all emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. These sources fall within our consolidated financial statement. We do not have responsibility for emission sources that are not included in our consolidated statement.

We have referred to the 'GHG Protocol: Corporate Accounting and Reporting Standard' (revised edition) and used emission factors from the UK Government's 'GHG Conversion Factors for Company Reporting 2017' and other region-specific emissions factors where available.