

Our strategy for growth

Our purpose

To accelerate the breakthroughs that create a brighter future for our world

Our opportunity

Oxford Instruments holds a unique position to anticipate global drivers and connect academic and commercial researchers, acting as a catalyst that powers real world progress

Our ways of working

- We start with the customer
- We succeed by being focused
- We make and keep our promises
- We work together as one team
- We help and trust each other to succeed

Medium-term KPIs

Enhance growth, margins and returns:

- Organic growth CAGR 5–8%
- Adjusted operating profit margin 20%+
- Return on capital employed > 29%
- Cash conversion > 85%
- Selective acquisitions

Our ambition

Be the scientific instrumentation partner in every significant lab and production facility across the world

Our strategic priorities



Deliver strong growth through 'customer first' ways of working



Deliver a step change in operational performance



Simplify the organisation



Significant investment in new technology and products



Embed our values and ways of working



Reach net zero in our own operations by 2030

Our strategy for growth continued



Deliver **strong growth** through **'customer first'** ways of working

Progress in 2024/25

- Improved lead times on key products
- Moved away from a product-first approach to a market segment-based approach, enhancing our ability to support customers with a range of technologies
- Drove double-digit revenue growth in North America by strengthening team and adopting new marketing channels

Focus for 2025/26

- Shifting accountability for sales and service fully into our regional teams
- Continued focus on improving customer experience, including product lead time, service and repairs

Strategy in action

We have worked with a leading automotive customer in China on their electric vehicle battery programme, creating a bespoke data dashboard to accelerate their progress.

8%

order growth in China as we target industrial customers



Deliver a step change in **operational performance** (delivery, quality, efficiency)

Progress in 2024/25

- Wave 1 of operational transformation programme has driven major productivity improvements in Belfast (see page 13)
- Lean manufacturing principles and effective production performance management introduced in Belfast and Oxford
- In-house capability built through operational transformation programme at Belfast and Oxford, with teams upskilled to train colleagues

Focus for 2025/26

- Enhance profitability of Belfast product lines through quality improvements and the discontinuation of a limited number of products
- Begin a fourth wave of our operational transformation programme to support scaling at our Ulm Raman facility
- Carry out Group-wide procurement transformation programme

Strategy in action

Our operational transformation team have achieved an average 60% uplift in the volume of cameras produced per employee in Belfast, and a 90% pass rate through the clean room – a significant improvement.

+60%

productivity enhancement

Our strategy for growth continued



Simplify the organisation, increasing **collaboration** and **accountability**

Progress in 2024/25

- Created a new, simpler structure for Oxford Instruments, reducing previous three divisions to two: Imaging & Analysis and Advanced Technologies
- Consolidated Japan and ESEA regional teams under one leadership team, driving shared ways of working and 25% revenue growth
- Centralised marketing function, sharing best practice and reducing duplication of effort

Focus for 2025/26

- Further aligning Belfast cameras and microscopy facility with materials analysis businesses under one divisional Imaging & Analysis leadership team
- Increased focus on global account management for key accounts
- Centralising key functions including Finance, HR, Legal and IT to share best practice and ensure strong governance

Strategy in action

We have consolidated five businesses under one leadership team within Imaging & Analysis, facilitating improved collaboration, cross-training and cross-selling, and reduced costs.

£1.9m

efficiency savings in
Imaging & Analysis to date



Continue to **invest in new technology** **and products**, protecting and enhancing our core strengths

Progress in 2024/25

- Shared innovation roadmap created for Imaging & Analysis division with enhanced commercial focus and improved targeting on our core markets
- New products launched across multiple techniques and both divisions
- World-first gaining traction: Unity combines backscatter electron microscopy and X-ray for faster, better imaging

Focus for 2025/26

- Continue to invest 8–9% of revenue
- Build on shared innovation roadmap to ensure we are targeting markets with most potential for revenue growth and margin enhancement
- Increase collaboration between R&D teams across facilities

Strategy in action

We have maintained target levels of investment in R&D while still delivering margin enhancement in both divisions.

8.2%

revenue invested in R&D

Our strategy for growth continued



Embed our values and ways of working so that they are lived every day

Progress in 2024/25

- Worldwide roll-out of new strategy and ways of working via a series of in-person roadshows led by the CEO
- Leadership conference held for c.75 leaders to equip them with the skills to role model and embed ways of working
- Ways of working reinforced at local level through workshops and visual prompts
- Externally benchmarked engagement survey carried out for the first time
- New Code of Conduct published and rolled out to all colleagues

Strategy in action

We achieved a 'One to Watch' rating from Best Companies in our first externally benchmarked employee survey, reflecting our position as a good place to work.

Focus for 2025/26

- Increased focus on line management effectiveness using Best Companies personalised feedback tool
- Target improvements to Best Companies score as evidence of improved engagement
- Continued focus on communicating our values and ways of working so that they become second nature to employees

'One to Watch'
Rating from Best Companies



Reach net zero in our own operations by 2030 and contribute to global sustainability through our products

Progress in 2024/25

- Development of medium-term Scope 3 target of a 25% reduction in absolute emissions by 2030
- Approval of medium and long-term science-based net zero targets by the Science Based Targets initiative
- Publication of net zero transition plan
- Sustainable product development workshops delivered to more than 300 colleagues

Strategy in action

We were delighted to achieve a 'B' in our first CDP climate change submission since 2016, recognising our effective management of climate change.

Focus for 2025/26

- Drive progress towards our medium-term (2030) emissions reduction targets
- Progress programmes to replace oil and gas boilers at two of our UK sites by March 2027
- Extend renewable energy certification to further sites outside the UK
- Continued engagement with top suppliers to strengthen Scope 3 data
- Carbon footprinting on representative sample of products

B
CDP score for 2024