

## **Vaillant Management Limited (Registered Number 04127157)**

### **Section 172 Statement**

The directors are well aware of their duty under section 172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- as the company has no employees, the interests of employees do not arise;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company, (the "s.172(1) Matters").

Induction materials provided to directors on appointment include an explanation of directors' duties, and the Board is regularly reminded of the s.172(1) Matters, including as a rolling agenda item at every Board meeting.

The directors understand that the Company's relationships with its stakeholders are dynamic, and that stakeholders' interests may change over time. In response to this, the directors keep themselves informed of the Company's key stakeholders' interests through a combination of both direct and indirect engagement. The directors recognise their responsibility to the Company's stakeholders at all times when discharging their duties.

The Directors have identified the key stakeholders as the following:

- Shareholder
- Suppliers

To discharge their section 172(1) duties the directors had regard to the factors set out above in making the principal decisions taken by the Company.

As part of the international Vaillant Group, the Company has in place a Code of Conduct which is an important part of the wider Group's compliance management system. The Code of Conduct sends a clear message about the Company's commitment and obligation to comply with internal and external rules and compliance with it is mandatory for all employees of the Company.

The Code of Conduct includes, but is not limited to:

- protection of human rights and workers' rights;
- corporate social responsibility;

- product safety and quality;
- environmental protection;
- health and safety at work;
- equal opportunities and respectful treatment;
- protection of intellectual property and insider information;
- prevention of the mis-use of company resources; and
- compliance with laws and regulations, including but not limited to Anti-Trust, Anti-Corruption, Data Protection and Data Security, Anti-Money Laundering, Tax Compliance, Conflicts of Interest and Foreign Trade Compliance/Export Control.

The Company, as an intermediate holding company, has no employees and, as such, the directors primarily consider the interests of the sole member, and ultimate parent company, Joh. Vaillant GmbH & Co. KG with regard to performing their duties on s.172(1) Matters.

### **Shareholder**

As an intermediate holding Company, the sole shareholder is a key stakeholder in the Company. The directors engage with this key stakeholder by considering their interests in board decision making. Furthermore, they take into consideration the long-term impact of its decisions, its desire to maintain a reputation for high standards of business conduct, and its requirement to act fairly between members of the company.

### **Suppliers**

The directors recognise that supplier involvement is central to the quality of the Company's service and to ensure that as a business we meet the high standards of conduct that we set for ourselves.

We continue to build strong relationships with our key suppliers and continually monitor supplier payment days. The Company has a clear process for selecting and managing its suppliers, which involves the carrying out of detailed business partner due diligence including sanctions checks and reviews of quality management and compliance policies. A written obligation is placed on all suppliers to adhere to the principles of the U.N. Global Compact Initiative, and for key suppliers, risk assessments and supplier audits enable the confirmation that there are no human rights violations, as well as the verification of suppliers' financial stability and viability.

### **Key Decisions taken by the Board**

The Board's principal decision during the year was to approve the payment of an interim dividend to its immediate parent. The Board considered the long-term consequences of paying up its distributable reserves and considered on balance it was in the best interest of its stakeholders as a whole.

Details of the wider group of companies' engagement with other stakeholders, including customers, and employees, is contained within the annual report and accounts of Vaillant Group UK Limited and Vaillant Industrial UK Limited.

This strategic report was approved on behalf of the Board on 25<sup>th</sup> April 2024.

A handwritten signature in black ink that reads "Kim Rolfe". The signature is written in a cursive style with a large, stylized 'K' and 'R'.

**K Rolfe**  
**Director**

**25<sup>th</sup> April 2024**