

# VAILLANT NETHERLANDS HOLDINGS LIMITED

## 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;
- the interests of the Company's employees;
- 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.

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 or suppliers 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.

## **VAILLANT NETHERLANDS HOLDINGS LIMITED**

As an intermediate holding Company, the sole shareholder is the key stakeholder in the Company. The Directors engage with the 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.

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

### *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.

This strategic report was approved on behalf of the Board on 27<sup>th</sup> April 2023.

### **On behalf of the board**

**K Rolfe**  
**Director**

**27<sup>th</sup> April 2023**