

s.172 statement – HONEYWELL NORMALAIR-GARRETT (HOLDINGS) LIMITED

The following statement describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duty under section 172 of the Companies Act 2006.

When making decisions, each director ensures that they act in a way that they consider, in good faith, would most likely promote the company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

S172(1) (A) "The likely consequences of any decision in the long term"

The directors understand the business and the evolving environment in which we operate. The strategy followed by the board, and decisions taken to implement it, is intended to strengthen our position in the market place over the longer term.

S172(1) (B) "The interests of the company's employees"

There is no direct interaction by the directors with the employees and there is no engagement to report from the directors' perspective.

S172(1) (C) "The need to foster the company's business relationships with suppliers, customers and others"

The directors recognise the importance of clear communication and proactive engagement with stakeholders. Comprehensive engagement enables informed decision making and is integral to the long-term success of the company. The directors factor the implications of decisions on stakeholders, where relevant and feasible. The directors in their capacity are managers of the Partnership and there is no engagement to report from the directors' perspective.

S172(1) (D) "The impact of the company's operations on the community and the environment"

The directors apply Honeywell International Inc's Sustainable Opportunity Policy which is based on the principle that by integrating health, safety and environmental considerations into all aspects of our business, Honeywell protects its people, communities and the environment; achieves sustainable growth and accelerated productivity; drives compliance with all applicable regulations; and develops technologies that expand the sustainable capacity of our world.

This policy is deliberately and directly embedded into the group-wide operating system, a blueprint for continuous operational improvement. Endorsed annually by the Honeywell International Inc CEO and senior leadership, the policy is posted in every facility and communicated to all employees and contractors.

S172(1) (E) "The desirability of the company maintaining a reputation for high standards of business conduct"

The directors apply Honeywell International Inc's Code of Business Conduct which is designed to provide guidance on the Group's standards of Integrity and Compliance. By doing so the directors help to ensure that high standards are maintained both within the business and the business relationships we maintain.

S172(1) (F) "The need to act fairly as between members of the company"

By weighing up all relevant factors, the directors consider which course of action best enables delivery of strategy through the long-term, taking into consideration the impact on stakeholders, for the time being the company only has one shareholder.

Principal Decisions

Being a part of a large multinational group of companies, the company adheres to policies and procedures which are often set by the ultimate parent company, Honeywell International Inc. During the year there were no principal decisions, within the context of Section 172 reporting, for the company to disclose.