MANITOU FINANCE LIMITED (THE COMPANY)

SECTION 172 OF THE COMPANIES ACT 2006 STATEMENT

Introduction

Section 172 of the Companies Act 2006 (the **Act**) sets out the general duty of directors of a company to promote the success of the company. Section 172 of the Act provides that a director must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In so doing, each director must have regard (among other matters) to:

- the likely consequences of any decision in the long term;
- the interests of 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 directors of the Company are well aware of their duty under section 172 of the Act. The purpose of this statement is to describe how the directors of the Company have had regard to the matters noted above when performing their duty in the year to 31 December 2025.

Culture

The Company and the BNP Paribas group are committed to their roles as responsible funders. The BNP Paribas group has adopted four pillars in its approach to its responsibility - financing the economy in an ethical manner; developing and engaging its people responsibly; being a positive agent for change in its markets; and adopting a responsible approach to the environment. The Company, as a member of the BNP Paribas group, conducts its business in a manner which reflects these commitments.

The Company is authorised and regulated by the UK Financial Conduct Authority (**FCA**) and has a continuing commitment to further implement and embed the FCA's Consumer Duty Rules into its systems, processes and culture, to help ensure good outcomes for its customers.

The directors adhere to these commitments in their decision making. In addition, as a joint venture operation, the Company has regard to the cultural approach of its joint venture partner.

The Company's Stakeholders

The Company is a joint venture operation established between BNP Paribas Lease Group SA (51% shareholder) and Manitou BF SA (49% shareholder), and there is a formal joint venture agreement (the **Joint Venture Agreement**) in place between the two shareholders. The principal activities of the Company relate to the provision of finance by way of hire purchase, leasing, loans and stocking to its customers, being customers of the Manitou group's UK dealer network. The Company sources its funding from within the BNP Paribas group.

The Company provides asset finance in volumes and at rates that enables it to provide competitive equipment finance products in the real economy, meeting the needs of Manitou business customers in the construction, agriculture or logistics markets. To facilitate its activities, the Company is provided with management services and systems of connected company BNP Paribas Leasing Solutions Limited (**BNPPLS**), for which it pays a management fee.

The Company meets the asset finance needs of its business customers indirectly, through vendor finance intermediaries, dealers (**Introductory Sources**).

The Company operates ethically in a regulated environment. The directors of the Company recognise the importance of engaging effectively with the Company's stakeholders. The Company has identified and reviewed its key stakeholder relationships:

Stakeholder	Description of relationship	Means of engagement
Funder	The Company receives its funding from within the BNP Paribas group.	The Company has credit lines with the BNP Paribas group and engages with its funder through normal group communication protocols.
Equipment Vendors - Dealers	The Company has trading agreements with its Introductory Sources who introduce business customers to the Company.	The Company carefully selects and manages its introducers, the majority of whom are FCA authorised credit brokers. The Company has formal trading agreements in place with its Introductory Sources, which include minimum standards of conduct and the right to monitor and audit their activities. All Introductory Sources are the subject of an Introductory Source policy which includes annual reviews. The Company has no appointed representatives.
Customers	The Company's customers are those businesses to which it provides asset finance by means of hire purchase, leasing and loans in the UK and the Republic of Ireland.	Once the customers are introduced via approved equipment dealerships, credit and underwriting checks are carried out and if approved, the Company provides finance to the customer in order to finance the equipment. Finance terms are documented under the relevant lease, hire purchase agreement and (to a lesser extent) loan/ credit agreements, the Company engages with the customer under the terms of the relevant agreement.
Suppliers	The Company purchases the goods and services it requires from suppliers in the course of its business.	The Company engages with its suppliers in accordance with the BNP Paribas group procurement policy and guidelines.
Regulators	The Company is registered with and regulated by the FCA.	The Company is authorised and regulated by the FCA as it is a provider of “consumer finance” including Consumer Credit Act regulated agreements, albeit always in accordance with the Company’s business to business model. The Company’s senior management fall within the FCA’s Senior Managers and Certification Regime.
Republic of Ireland Activities	To support finance lease and hire purchase business in the Republic of Ireland, the Company engaged with Everyday Finance DAC (trading as Link Financial), an authorised retail credit firm regulated by the Central Bank of Ireland (CBI). Link Financial is the lessor of record, entering into hire purchase and finance lease agreements with Irish customers and holding the beneficial interest of the Irish business on trust for the Company.	The Company has engaged with Link Financial under the terms of an Activities Deed and Declaration of Trust.
Compliance	BNPPLS provides the Company with independent Compliance, Legal and Risk services with reporting direct to BNPPLS group control functions.	The Company’s local control functions (Compliance, Legal and Risk) have independent reporting lines to those control functions at group level. The Company attends group compliance and regulatory reform committees, which facilitates a global overview of compliance and management of compliance matters. The Company sets high standards to adhere to in its own policies and procedures which are reviewed at least every 36 months.
Trade Body – Finance and Leasing Association (**FLA**)	BNPPLS is a member of the FLA, an established UK trade body in the asset finance sector, and represents the interests of the Company through this forum.	BNPPLS attends FLA committees, including regulatory reform and legal committees, and pursues its asset financer business in accordance with the FLA’s Business Finance Code, which can be downloaded from here: FLA Business Finance Code and Guidance – Finance & Leasing Association

Shareholders	The Company's shareholders are BNP Paribas Lease Group SA and Manitou BF SA. The Company engages with its shareholders and through the Manitou BF SA dealer network. This is crucial in order to support the purpose of the joint venture i.e. to provide the retail finance services of equipment manufactured by the Manitou BF SA group.	The Company engages with its shareholders in accordance with the terms of the Joint Venture Agreement.

The Company's approach to decision making and key decisions in the period

The Company's key decisions in the year to 31 December 2025 related to achieving its continued objectives: (i) to continue to develop its business by increasing the number of new finance contracts set to live and therefore increasing the value of assets under management; and (ii) to develop its business in the interests of both of its shareholders. These objectives were considered by the directors to be likely to promote the success of the Company for the benefit of its members as a whole, particularly having regard to the joint venture nature of the Company's operations. In their decision-making, the directors of the Company had regard to their duty under section 172 of the Act, including the considerations noted above, and engaged with stakeholders using the methods described above.

The Company's key decisions in the year included:

- in the context of customer requirements and market expectations, the amount of financial resource required from its funder to service customers and that market at competitive rates. In making this decision, the directors had regard to the anticipated demand for the Company's products and services, the pricing in the market and the need to produce an appropriate return on borrowed funds;

- a decision as to those areas of the market in which it could deliver appropriate products and customer service, and the partnerships which would assist it to do so. In making this decision, the Company had regard to the needs of its customers and the market, and the sector-specific skills of its workforce, in addition to the long-term sustainability of its business in the market in which it operates;

- with support from BNPPLS, closely following developments in the FCA's Motor Finance Commission Review of Discretionary Commission Arrangements, in the regulated motor finance credit industry, notably the FCA's *Consultation CP25/27: Motor Finance Consumer Redress Scheme launched* on 7 October 2025. Scoping potential impact on the Company (including potential financial provisioning) and establishing a project team to work on the preparation and implementation of any potential remediation following the FCA's final scheme rules, expected to be issued in the first quarter of 2026; and

- compliance with financial services regulation and maintenance of its reputation as a trusted financial institution. In all decisions the Company sought to maintain high standards of business conduct and ensure compliance with the rules and standards imposed upon it by its regulators.

Community and environment

As a joint venture operation, the Company has regard to the approach to community and environment of the Company's shareholders, BNP Paribas Lease Group SA and Manitou BF SA. Being a positive agent for change in its community and combating climate change are two of the pillars in BNP Paribas' commitment to being a responsible funder. As a member of the BNP Paribas group, the Company shares this commitment.

Dividends

The decision as to whether or not to pay a dividend is made in accordance with the dividend policy agreed as part of the Joint Venture Agreement and whether it would continue as a going concern.

Website publication

This statement is available to read and download on the Company's website below:

Manitou Finance – Bringing Manitou Within Your Reach