

PART 8 OF THE ENTERPRISE ACT 2002 (EA02)

UNDERTAKINGS TO THE COMPETITION AND MARKETS AUTHORITY (CMA) UNDER SECTION 219 OF THE EA02

Bosch Thermotechnology Limited (Worcester Bosch), company number 01993294, of Cotswold Way, Warndon, Worcester, WR4 9SW

gives the following undertakings to the CMA under section 219 of the EA02 (these **Undertakings**).

These Undertakings do not amount to an admission that any person has infringed the law. On the basis of the undertakings, the CMA has closed its investigation into Worcester Bosch's Marketing Practices. Changes have been made by Worcester Bosch to its Marketing Practices in response to the concerns of the CMA. Any Boiler manufacturer, third party retailer or Installer of Boilers who does not comply with the substance of these Undertakings is at risk of breaching the Consumer Protection from Unfair Trading Regulations 2008 (the CPRs).

UNDERTAKINGS

In accordance with section 219(4) of the EA02, Worcester Bosch undertakes to the CMA:

- to comply with the requirements set out at paragraphs 1 to 4 below;
- not to engage in the misleading and/or unfair commercial practices set out in paragraphs 1 to 4 below in the course of its business or another business;
- not to consent or connive in the carrying out of the misleading and/or unfair commercial practices set out in paragraphs 1 to 4 below by a body corporate with which it has a special relationship (within the meaning of section 222(3) of the EA02); and
- to comply with the requirements set out in paragraphs 5 to 14 below.

Interpretation

Where a date or time period is specified, the obligation must be met by 17:00 in Greenwich Mean Time (GMT) on the relevant day.

Unless an alternative meaning is expressly provided for, or the context requires otherwise, any reference to 'day' means calendar day. Where a deadline falls on a

non-working day, the reference shall be taken to mean the deadline falling on the following working day.

References to Regulations are, unless stated or the context requires otherwise, references to provisions of the CPRs.

Defined terms, which are capitalised, are set out in Schedule 1. Where applicable, the singular includes the plural and vice versa.

Misleading claims about environmental benefits

1. Worcester Bosch shall not, in any of its Marketing Practices:
 - a. engage in misleading actions contrary to Regulation 5;
 - b. make misleading omissions contrary to Regulation 6; or
 - c. engage in unfair practices in breach of Regulation 3(3),
that state or give the impression (as the case may be) that its Boilers confer an environmental benefit or improvement because of their ability to operate with a Hydrogen Blend.

2. In particular, Worcester Bosch shall not make statements or otherwise give the impression that:
 - a. A Consumer will reduce their carbon footprint or achieve or obtain an environmental benefit or improvement by having a Worcester Bosch Boiler because it can run on a Hydrogen Blend. That includes doing that by:
 - i. stating or conveying the impression that a Worcester Bosch Boiler will reduce an individual's carbon footprint and/or represent 'greener' heating (or a similar environmental improvement), because it can operate using a Hydrogen Blend;
 - ii. stating or giving the impression that only a Worcester Bosch Boiler has the capability to operate with a Hydrogen Blend;
 - iii. describing hydrogen as a 'clean' or 'green' (or similar) gas in proximity to and/or associated with information about how Worcester Bosch Boilers can run on a Hydrogen Blend; and/or
 - iv. failing to state, at all, or in a clear and timely way, that most Boilers have the capability to operate with a Hydrogen Blend.

- b. A Worcester Bosch Boiler will deliver comparable environmental benefits or improvements to a low-carbon heating system (such as an air source heat pump) because it can run on a Hydrogen Blend. That includes doing that by:
 - i. presenting a Worcester Bosch Boiler as a ‘greener’, ‘sustainable’, ‘carbon reducing’ or ‘responsible’ (or words to the same or similar effect) option alongside low-carbon heating systems, like heat pumps, and/or as part of a wider marketing campaign of such products, and stating or conveying the impression that the Boiler is part of this group of heating products because it can run on a Hydrogen Blend; and/or
 - ii. failing to state, at all, or in a clear and timely way, the information in paragraph 2(a) (iv) above.

- c. The environmental benefits or improvements conferred by Worcester Bosch Boilers are comparable to those which could in theory be achieved by a Boiler which can – with modification or otherwise – run on up to 100% hydrogen. That includes doing that by:
 - i. conflating the environmental advantages of these distinct products through the positioning of claims, logos and/or graphics; and/or
 - ii. failing to state, at all, or in a clear and timely way:
 - 1. the information in paragraphs 2(a) (iv) above;
 - 2. which claims, statements or advantages relate to each type of product; and/or
 - 3. the differences between the products.

Misleading claims about futureproofing

- 3. Worcester Bosch shall not, in any of its Marketing Practices:
 - a. engage in misleading actions contrary to Regulation 5;
 - b. make misleading omissions contrary to Regulation 6; or
 - c. engage in unfair practices in breach of Regulation 3(3),

that state or give the impression (as the case may be) that purchasing or having one of its Boilers 'future proofs' a Consumer's heating system, or makes it ready for the future, on account of its ability to operate with a Hydrogen Blend.

4. In particular, Worcester Bosch shall not make statements or otherwise give the impression that:
 - a. Purchasing or having a Worcester Bosch Boiler will prepare a Consumer for the introduction of a Hydrogen Blend into the gas network that is certain or inevitable in the near future including by:
 - i. stating or conveying the impression that having a Worcester Bosch Boiler is what gives the Consumer assurance or confidence that their heating system will continue to operate;
 - ii. describing Worcester Bosch Boilers' capability to run on a Hydrogen Blend in proximity to statements about the certain introduction of a Hydrogen Blend into the gas network;
 - iii. stating or conveying the impression that the widespread introduction of a Hydrogen Blend into the gas network, and its availability in any particular place and for any particular Consumer, is a certainty;
 - iv. stating or conveying the impression that other Boilers cannot operate with a Hydrogen Blend and that a Consumer therefore needs to buy a new Worcester Bosch Boiler to ensure their heating system will continue to work after the introduction of hydrogen into the system;
 - v. failing to state, at all, or in a clear and timely way, that:
 1. Most Boilers have the capability to operate with a Hydrogen Blend; and/or
 2. A Worcester Bosch Boiler, which is not a Hydrogen Ready Boiler, cannot be modified to run on up to 100% hydrogen, and a Consumer would need to buy a new Boiler which could be modified to operate with 100% hydrogen, should this level of hydrogen ever be introduced into the gas grid.

- b. Because they can run on a Hydrogen Blend, having one of its Boilers makes a Consumer's heating future proofed or means that they will be or become ready for any future introduction of hydrogen into the grid, or a Consumer needs to buy one to be ready. That includes doing that by:
 - i. stating or conveying the impression that its Boilers are 'future-proofed' or 'ready for the future' (or words to the same or similar effect) because they can operate using a Hydrogen Blend;
 - ii. describing or conveying the impression that the Hydrogen Blend capability and the readiness for the future is a feature of only its new or current models or only of its Boilers;
 - iii. stating or conveying the impression that its Boilers are 'Future Technology' or the 'latest' technology, either by themselves or alongside other home heating technologies and/or as part of a wider marketing campaign.

Publication of Undertakings

- 5. Worcester Bosch will, within the timetable described in paragraphs 8 to 10 below, contact its networks of Accredited Installers and third-party retailers informing them in appropriate and clear language of the content and effect of the Undertakings. Such communication(s) will include that any party which itself engages in commercial practices of the kinds described in the Undertakings is liable to commit infringements of the CPRs.
- 6. Worcester Bosch will not issue any communication or material related to the information set out in paragraph 5 above to its networks of Accredited Installers and third-party retailers without the CMA's prior written agreement as to its content.

General

- 7. In addition to the communication(s) required by paragraph 5 above, Worcester Bosch will, at the same time as it makes that communication, notify its networks of Accredited Installers and third-party retailers and ask and urge them to revise, remove and/or retract previous Worcester Bosch marketing material to the extent that such material could breach any of paragraphs 1 to 4 of these Undertakings. This requirement may be included in the communication(s) Worcester Bosch makes under paragraph 5 above.

Compliance and Reporting

Publication of Undertakings

8. Within 14 days of the date of these Undertakings, Worcester Bosch shall send to the CMA for approval the communication(s) it proposes to send to its networks of Accredited Installers and third-party retailers pursuant to paragraph 5 above.
9. Worcester Bosch shall, within five days of receipt, respond to any question and comments the CMA may have in respect of the proposed communication(s) under paragraph 5 above.
10. Worcester Bosch shall make the communication(s) within five days of the CMA approving its content.
11. Once the communication(s) have been made, Worcester Bosch shall, within a further 14 days, provide a report to the CMA confirming that it has sent the communication(s). The report must specify:
 - a. the number of Installers the communication was sent to; and
 - b. the third parties Worcester Bosch sent the communication to.

Review of marketing material

12. Within 30 days of the date of these Undertakings, Worcester Bosch shall take the steps necessary to comply with paragraphs 1 to 4 above in relation to its Marketing Practices. That includes the amendment, cessation or withdrawal of the Marketing Practices to which this paragraph 12 applies. Within the same time period, Worcester Bosch shall provide a report to the CMA to confirm that it has reviewed and, where necessary, amended, removed, stopped or withdrawn those Marketing Practices in compliance with paragraphs 1 to 4 of these Undertakings. The report must specify the steps Worcester Bosch has taken.

General

13. Worcester Bosch shall independently monitor and record its own compliance with these Undertakings. The CMA may, upon reasonable notice, request such records at any time.

14. Worcester Bosch shall, by any reasonable deadline set by the CMA, provide an accurate and complete response to any question or request for information the CMA has in respect of Worcester Bosch's compliance with these Undertakings. Worcester Bosch shall also promptly take any necessary action required by the CMA for compliance with these Undertakings.

BY SIGNING THESE UNDERTAKINGS, BOSCH THERMOTECHNOLOGY LIMITED IS AGREEING TO THEIR TERMS.

IF, HAVING SIGNED THIS DOCUMENT, BOSCH THERMOTECHNOLOGY LIMITED BREACHES ANY PART OF THESE UNDERTAKINGS, THE COMPANY IS AWARE THAT IT MAY BE THE SUBJECT OF AN APPLICATION TO THE COURT FOR AN ENFORCEMENT ORDER UNDER SECTION 215 OF THE EA02.

THE CMA WILL CONSIDER VARYING OR TERMINATING THE UNDERTAKINGS, EITHER UPON REQUEST FROM BOSCH THERMOTECHNOLOGY LIMITED, OR UNDER THE CMA'S OWN INITIATIVE, WHERE THERE HAS BEEN A CHANGE OF CIRCUMSTANCES SUCH THAT THE UNDERTAKING IS NO LONGER APPROPRIATE IN DEALING WITH THE ISSUES IT WAS DESIGNED TO REMEDY (FOR EXAMPLE, THE UNDERTAKING IS AFFECTED BY NEW LEGISLATION).

Schedule 1 – Defined Terms

‘Accredited Installer’ means Installers who have been approved under the Worcester Accredited Installer programme as detailed at <https://www.worcester-bosch.co.uk/products/boilers/boiler-installation>.

‘Boiler’ means any gas-fired boiler including Combi, System and Regular models manufactured, supplied, marketed and/or sold for domestic use for/to Consumers in the UK.

‘Consumer’ has the meaning set out in the CPRs.

‘CPRs’ refers to the Consumer Protection from Unfair Trading Regulations 2008.

‘Hydrogen Blend’ means an admixture of up to 20% hydrogen and natural gas.

‘Hydrogen Ready Boiler’ means a Boiler which is capable of running on an admixture of up to 20% hydrogen and natural gas, with a potential to run on 100% hydrogen following alteration in the future.

‘Installer’ means an installer of Boilers and/or other heating appliances. This includes, but is not limited to, Accredited Installers.

‘Marketing Practices’ means any activity carried out by Worcester Bosch which is connected to the promotion and sale of its Boilers to Consumers, including:

- Marketing its Boilers directly to Consumers through, for example, its Website, TV adverts, Social Media Account posts/videos, online campaigns, brochures and responses to enquiries from Consumers (and training and information provided to its staff to inform their engagement with Consumers) and displays, stands and other physical imagery and artwork.
- Providing marketing materials to third parties, such as Installers and retailers, to be passed on to or used with Consumers.
- Providing information on its Boilers in communications to Installers, including through email or Social Media Accounts, training materials and presentations, and displays, stands and other physical imagery and artwork.

‘Social Media Account’ means any social media profile owned, controlled or directed by Worcester Bosch on which it posts information about its Boilers. This includes, but is not limited to Facebook, Instagram, LinkedIn and Twitter (X).

'Website' means www.worcester-bosch.co.uk and any other website controlled or used by Worcester Bosch.