

## Business Unit review



### Climate Management Solutions

The Climate Management Solutions (CMS) Business Unit is focused on addressing the need for clean, healthy air and low-carbon heating and cooling. The built environment accounts for approximately 40% of the UK greenhouse gas (GHG) emissions, and the operational carbon of heating and cooling systems are the largest contributors. Evolving regulations are increasing the requirements for insulation and with that, the need for better ventilation and cleaner air. In addition, lower carbon and more efficient heating systems are needed. Our mission is to offer solutions which meet these needs across residential and commercial settings.

Revenue £m

## £161.6m

2024	161.6
2023	165.9
2022	158.6

Underlying operating profit £m

## £24.0m

2024	24.0
2023	22.7
2022	25.2

### Key activities in 2024

A key highlight of 2024 was the acquisition of Omnie & Timoleon, reinforcing the Genuit Group as a market leader in underfloor heating (UFH). We see great opportunities in both residential new build and RMI markets as part of the transition to more efficient heating systems for homes which operate with a lower carbon footprint. With a portfolio of brands and offerings, we are looking to support our customers in the transition to underfloor heating, providing training to installers, design services and expert advice and the ability to provide a full solution.

We have seen rising demand for ventilation products in the residential sector, in particular driven by the need to improve social housing. Sales of Mechanical Ventilation Heat Recovery (MVHR) have also been strong and we anticipate increasing demand in new housebuilding over the coming periods. We have also seen a rise in sales of MVHR systems with incremental cooling, which help address the problem of over-heating in the summer.

### Winning with the Genuit Business System (GBS)

We have continued to embed the GBS toolkit across CMS and have seen improvements to productivity and the efficiency of operations, improving the daily work of our people and offering increased value to our customers through better product availability and service. Adey has continued to improve operational efficiency in 2024 using GBS and has worked on embedding visual management, workplace organisation and a 'go and see' approach. Creating daily habits across the organisation enables teams to work together and make continuous improvements.

At our Nuaire ventilation business, with an expected increase in demand for our XBC commercial ventilation product, we held a kaizen on increasing production capacity whilst maintaining quality and customer lead times. By implementing standard work, workplace organisation and daily visual management, it has benefitted the team through easier and more efficient working processes. The result is a 30% improvement in efficiency output, a 75% reduction in sub-assembly defects, and a reduced lead time of 10 days for our highest-volume products.

### A focus on sustainability

Whilst many of our solutions in CMS enable lower operational carbon of the places in which we live, work and play, we are also working on reducing the embedded carbon of our offerings.

At Nuaire we have reviewed our raw material supply chain and have made a switch to lower embedded carbon materials

which in 2024, led to a saving of almost 2,000 tonnes of scope 3 embedded carbon.

At Adey, new sustainably-sourced brown boxes use 30% less cardboard than the previous design. They are also printed with earth inks and on Forest Stewardship Council (FSC) card, which is much better for the environment. The new boxes will reduce the amount of cardboard by 72 tonnes per year.

### Shining a spotlight on our people

This year has seen us focus on rolling out the Trademark Behaviours across CMS to enable greater collaboration and innovation.

With the acquisition of Omnie & Timoleon, our team in Nu-Heat worked closely with Omnie to combine our UK offices and start finding better ways to work together for their customers, as part of the integration plan. At Nuaire, we sponsored Pride Caerffili and we also celebrated the achievements of our teams across the businesses, having been both finalists and winners of a number of awards. Highlights include Nuaire being selected as a finalist in the BESA Industry Awards for Equality, Diversity and Inclusion, and being highly commended at the HVR Awards for Domestic Ventilation Product of the Year for Hybrid Cooling. Nu-Heat also won Underfloor Heating Innovation of the Year at the Build It Awards; testament to the value of working together and finding a better way for our customers.

### Outlook for 2025

- Legislative drivers, including the Future Homes Standard, continue to provide opportunities for growth across the CMS solution offerings.
- Pent-up demand in the residential existing homes market offers the potential for a recovery in housing sales and subsequent RMI growth.
- The trend towards better ventilation to solve damp and mould problems in social housing and to deliver cleaner, healthier air in schools, hospitals and commercial buildings is set to continue.
- We are encouraged by the UK Government's focus on growth and, specifically, their aim to build 1.5 million homes and reform the planning framework.
- CMS is well placed for growth, with sufficient capacity to meet potential demand.

## Brands



**OMNIE.**

**Nu-Heat**  
Feel the difference

**surestop**  
Water Solutions & Service Provider

**ADEY**

Click or scan to  
view our latest  
Nuairé GBS  
case study



### Omnie

We have gained manufacturing capabilities in structural board underfloor heating, providing cost-saving efficiencies and more product offerings to residential and commercial customers.

### Launch of MagnaClean AtomSC

Gaining 'Voice of Customer' feedback from the Dodd Group, Adey developed a compact magnetic filter so that installers could fit a small filter immediately under, or in a tight space alongside, the boiler.



I'm excited to have joined Genuit Group and look forward to the opportunity to work with the CMS team on delivering solutions that help create sustainable living."

**Lee Mellor,**  
Managing Director,  
CMS Business Unit



### Nuairé XBC

Heat recovery units are supply and extract systems delivering filtered fresh air into a building whilst extracting stale, stagnant air from the interior. Each unit has a heat recovery element, transferring the heat that would otherwise be lost into the incoming air flow. The XBC units feature an innovative arrangement, allowing the position of extract/intake ducts to be flipped to either the left or right side during installation stage. This means that unit air-path handling is flexible, giving more options at the design stage and making installation simpler.

## Business Unit review



### Water Management Solutions

The Water Management Solutions (WMS) Business Unit is focused on upgrading the stormwater and wastewater infrastructure to adapt to the increasingly challenging impacts of climate change. As the climate warms, the air is capable of holding more water and this creates more frequent bouts of extreme rainfall. Often, ageing infrastructure is not designed for this volume of water. In parallel with this problem, the so-called concretisation of our urban areas is accelerating surface water runoff rates. Our green urbanisation strategy addresses stormwater resilience, along with urban greening and biodiversity net gain.

Revenue £m

## £160.9m

2024	160.9
2023	170.4
2022	172.4

Underlying operating profit £m

## £13.6m

2024	13.6
2023	17.7
2022	14.1

#### Key activities in 2024

A highlight of 2024 for the WMS green urbanisation strategy was the acquisition of Sky Garden, a leader in green roof technologies providing design, supply, installation and maintenance services for green roofs, podium decks and green walls. This acquisition bolsters our offering in blue-green roofs and creates the potential for vertically integrated solutions with our Permavoid business, which designs water capture, retention and irrigation solutions.

In the UAE, we saw strong demand for both Polystorm and Permavoid stormwater tanks, assisting in flood mitigation across the region.

In the UK, we continued to support clients and contractors to deliver enhanced urban-greening, as well as stormwater resilience. Our Polypipe and Permavoid solutions helped deliver stormwater management and urban-greening across a series of paths, cycleways and an elevated two-acre park located above Stockport Interchange's new bus station.

Whilst market conditions have remained subdued in 2024, eventual market recovery and growth is anticipated as a result of numerous factors. There is an increasing need for stormwater attenuation and urban-greening solutions and the planned recovery of the UK housebuilding and construction sectors, which is a stated goal of the UK Government. Forthcoming spending under the Asset Management Programme 8 (AMP8) regulatory cycle will also focus investment on stormwater capacity, and the need to avoid sewerage discharge into the UK water environment.

#### Winning with the Genuit Business System (GBS)

In 2024, we have continued to make investments to position WMS for future growth. As well as capital investment, we have created operational efficiency improvements through the deployment of the GBS.

As an example, at our Horncastle site, we have re-organised heavy goods vehicle (HGV) parking to drive efficiency and health and safety through centralised loading. The one-way system and segregation of HGVs and fork-lift trucks from pedestrians has led to an increase in loading capacity, resulting in improvements in serving our customers.

During the year, we exited two manufacturing sites consolidating operations into strategic sites, with no loss of capacity. These underpin previously reported annualised savings, providing further operational efficiencies.

#### A focus on sustainability

Within Polypipe Civils & Green Urbanisation, we have completed 11 projects to further increase the proportion of recycle polymers being used, beyond the 76.5% achieved in 2023. We are also working to support our customers' environmental obligations and have c.65% coverage by revenue of products with Environmental Product Declarations (EPDs).

We have gained PAS2080 carbon management certification, supporting the infrastructure sector in its carbon reduction programme, and have recently completed a pilot to move 45 fork-lift trucks from diesel to electric.

#### Shining a spotlight on our people

During 2024, WMS colleagues invested time in supporting their local communities, demonstrating how our Trademark Behaviours extend beyond the business and across our stakeholders. We worked together with local schools on fundraising litter picks which funded educational school trips, during Great British Spring Clean week we volunteered our time to collecting litter in local areas, towns, woodland and beaches, and we continued to mark the annual Maddie Rose Day with multiple fundraising activities. We also organised the first WMS Business Unit conference, bringing the businesses together to collaborate, share best practice and identify synergy opportunities.

#### Outlook for 2025

- The continued impact of climate change on both stormwater resilience and urban-greening is likely to increase interest in solutions to build resilience in urban areas in the UK and internationally.
- The water utility sector is preparing for the AMP8 spending cycle and we are engaged at a strategic level to help deliver solutions for stormwater management that offer the potential for significant growth in 2026 and beyond.
- WMS has a strong pipeline of GBS projects to improve the efficiency and productivity of its businesses.
- The Irish construction and housebuilding market remains one of the most buoyant in Europe. Through our operations in Ulster, WMS has strong ambitions to grow market share across a range of products.
- WMS is well placed for recovery in civil infrastructure and development projects, as well as growth in green urbanisation, with sufficient capacity to meet potential demand.

## Brands

 **Polypipe**
 **permavoid**
 **POLYDECK™**
 **KEYTEC**  
INSTALLATION SERVICES

 **SkyGarden**  
GREEN SOLUTIONS

Click or scan to  
view our latest  
Polypipe Civils  
& Green  
Urbanisation GBS  
case study



### Sky Garden Bio-solar system

Bio-solar systems combine green roof and solar photovoltaics (PV) panels. Customers who install these systems benefit not only from enhanced biodiversity and water management, but also the greenery of the roof, which cools the ambient air, boosting the efficiency of the solar panels.

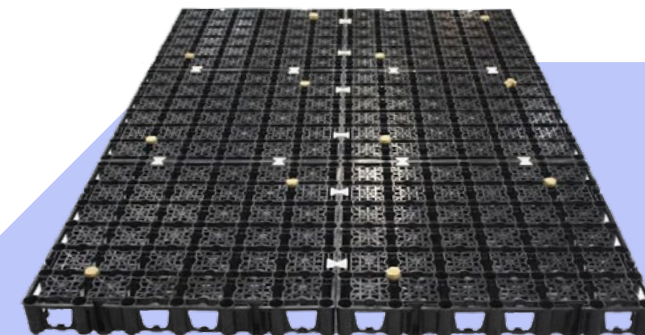
### Launch of Keytec Installation Services

During 2024, we merged the Keytec and Alderburgh businesses and re-launched them as Keytec Installation Services. The team install stormwater attenuation tanks across the UK, and have now added blue-green roofs and Polydeck bridges and walkways to their capabilities.



This acquisition marks an exciting new chapter for Sky Garden, bringing enhanced capabilities and synergy opportunities to expand our products and services to the urban greening sector."

**Philip Weatherley-Hastings,**  
Managing Director, Sky Garden



### Permavoid

Sports pitches occupy a significant surface area in cities across the world and not only provide social amenities, but also help cool our cities. This year we added Heracles Almelo Asito to the list of sports pitches featuring Permavoid. This Dutch football club transitioned to natural turf. The Permavoid layer under the entire playing field ensures optimal drainage serving as a water buffer with the capacity to store more than 600,000 litres of water, increasing its stormwater resilience. Through the use of capillary cones, the system provides grass with the water it needs in a natural way.



## Business Unit review



# Sustainable Building Solutions

The Sustainable Building Solutions (SBS) Business Unit provides its customers with a range of market-leading products in plumbing and water supply, drainage and other building accessories. These solutions are designed with efficient installation in mind, serving leading builders' merchants, residential housebuilders and commercial contractors. This Business Unit continues to play a key part in our proposition to be the lowest carbon supplier of choice and has made further progress in reducing carbon in its products through both the use of recycle and reducing mass.

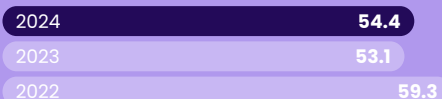
Revenue £m

## £231.7m



Underlying operating profit £m

## £54.4m



### Key activities in 2024

In 2024, there continued to be subdued market conditions related to new build residential developments. Despite a slowdown in volumes, the Business Unit was successful at winning new customers, increasing share of wallet with existing customers, driving operational efficiencies through deployment of the Genuit Business System and managing costs, resulting in a year-on-year improvement in margin.

Another continuing trend is the significant skills shortages faced by the construction industry. This has led to an increase in demand for solutions like Polypipe Advantage, where prefabricated drainage stacks are designed and manufactured bespoke to the project, enabling faster and more efficient installation. Off-site fabrication is seen as a growth opportunity in the coming years.

### Winning with the Genuit Business System (GBS)

This year, SBS has made good progress in deploying GBS to deliver operational efficiencies and unlock growth potential.

The roll-out of GBS has continued in our operations, where we held multiple kaizen workshops to drive productivity and efficiency initiatives. As an example, at our Aylesford site, we held a kaizen to review our injection moulding machines, where a team of 15 people across the business worked together to reduce our tool changeover time from 4 hours to 46 minutes, leading to a significant capacity increase. We also held a kaizen on our prefabricated drainage stacks manufacturing process, enabling us to increase our capacity with an improved workflow.

In addition, the roll-out of Genvue, our Salesforce Customer Relationship Management (CRM) system, has led to an improvement in sales efficiencies using data analytics to accelerate decision making. The implementation of Sales Funnel Management and Voice of Customer, from the GBS toolkit, enabled the team to identify and win in new markets and with new customers.

### A focus on sustainability

We continue to drive down the carbon impact of both our products and operations, in our efforts of being the lowest carbon supplier of choice. During the year, we invested in injection moulding machines that are 25% more efficient, manufactured our Terrain PVC range with up to 65% recycled content, and replaced the packaging on our PolyPlumb Enhanced range to one that has 50% recycled content.

This year we conducted a trial between Polypipe Building Products and national merchant, Wolseley UK, to collect, sort and recycle plastic waste, potentially preventing that plastic from going to landfill. This project gained recognition at the Builders' Merchant News awards by winning Sustainable/Environmental Initiative of the Year.

### Shining a spotlight on our people

This year, we placed focus on our Trademark Behaviours across SBS, to enable greater collaboration and innovation. We worked together across sites to share learnings on operational efficiencies for recycled PVC, accelerating our progress in increasing the use of recycled content across our products. Employees also took on the National Three Peaks Challenge, raising money for Yorkshire Air Ambulance.

We are finding better ways to solve customer problems by increased customer visits and roundtables, and we continue to play our role in upskilling the industry by conducting training at local schools and colleges, as well as investing in our own apprenticeships and graduate schemes.

### Outlook for 2025

- Labour shortages continue to be a significant challenge for the construction industry, and we anticipate continued demand for our solutions to help mitigate this issue.
- We are encouraged by the UK Government's focus on growth and, specifically, their aim to build 1.5 million homes and reform the planning framework.
- We are engaging with housebuilders in preparation for the implementation of the Future Homes Standard. Polypipe underfloor heating solutions are a key enabler for this and also a component of a broader solution offering from the Genuit Group as a whole.
- SBS is well-placed for recovery in new housebuilding, RMI and commercial markets, with sufficient capacity to meet potential demand.

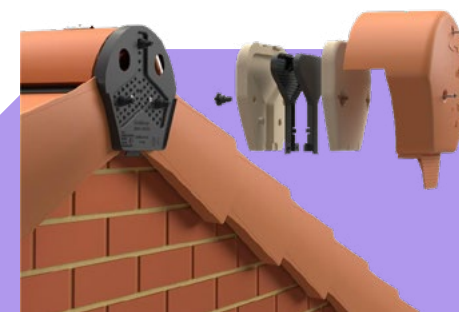
**EFFAST**

We have expanded our solutions in commercial water supply providing riser to tap solutions developed to meet the tough standards demanded by commercial construction projects.



The roll-out of Genvue and the GBS strategic framework has given the team clarity, rigour and accountability, enabling us to win new customers in new markets.”

**Tony Brayford,**  
Commercial Director, SBS



## ♀ Bat Ridge Roost

Launched in 2024, the Bat Ridge Roost provides a habitable roost space for bat species found in the UK. The roosting product is pre-assembled for ease of installation, offering a secure, self-contained and thermally stable environment for bats where so many of these important spaces have been lost. This is just one of the ways we are showing our commitment to biodiversity, wildlife conservation and sustainability.