

## **SECTION 172(1) STATEMENT**

The Companies (Miscellaneous Reporting) Regulations 2018 (the “**Regulations**”) came into force on 1 January 2019. The Regulations aim to extend sustainable and responsible governance practice beyond listed companies to private limited companies. The Regulations require Orange Brand Services Limited (the “**Company**” or “**OBSL**”) to report how the directors of the Company (the “**Board**”) have considered their duties under section 172 of the Companies Act 2006 (the “**Act**”) (“**Section 172**”) during the reporting period, 1 January 2020 to 31 December 2020.

The duties under Section 172 are owed by the directors to the Company. In the context of a group, being the Orange group of companies, the Company’s directors owe their duties to the Company and not to the parent company. However, the Board recognises that the overall framework that Section 172 promotes is intended to drive the long-term success and economic viability of the Company for the benefit of its sole shareholder and stakeholders.

The directors are mindful of corporate governance, and seek to demonstrate understanding of their accountability and statutory responsibilities, including application of their Section 172 duties. The Board receives a reminder of their Section 172 duties with every Board pack of documents and at the start of every Board meeting. The company secretary provides an annual corporate governance update to the Board on new and amended legislation, including the steps taken to comply. OBSL directors always consider whether the decision they are about to take leads to a positive long-term increase in the value of the Company for the benefit of the shareholder and the Company’s wider stakeholder base.

For details of the issues, factors and stakeholders the directors consider relevant in complying with Section 172 and the main methods the directors have used to engage with stakeholders and understand the issues to which they must have regard, please refer to the Statement of Corporate Governance Arrangements, Engagement with Employees Statement and Engagement with Suppliers, Customers and Others Statement, further below.

### **Stakeholder Relationships and Engagement**

As noted in the Statement of Corporate Governance Arrangements, at the present time, the Board delegates stakeholder engagement to the senior management team (“**SMT**”) and the Board has considered the stakeholders that are impacted by the Company and its business activities, and consider its employees, brand licensees, charities chosen by OBSL employees in accordance with the CSR policy (“**Charities**”), brand partnerships and its shareholder to be its key stakeholders.

We engage with our employees to discuss employee-related matters and to provide information via the group’s intranet, webinars, social media channels, town halls and meetings, and with our other stakeholders through collective CSR and employee activities, including volunteering and donations, the provision of regular reports, business reviews and presentations, among other things.

The impact of this engagement is detailed in the following section.

### **Principal Decisions**

As noted in the Statement of Corporate Governance Arrangements, at the present time, the Board delegates day to day activities and stakeholder engagement to the SMT. Board meetings are held quarterly, and consider standing agenda items, with the Board receiving a reminder of their Section 172 duties with

every Board pack of documents: this is embedded in our decision-making process, enabling effective and consistent decision making, applying consideration to the Section 172 duties each time. Board papers are prepared on the basis of a template, providing the Board with the right levels of information to consider all relevant issues before making a decision.

To support effective decision-making, the directors and the SMT take into account both Orange group-wide governance policies and practices and OBSL policies and practices based on Group policies, including the Orange Directors' Programme, the Group Code of Ethics, the OBSL Fraud Ethics and Compliance Programme, the OBSL Speak Up Policy, Group Ethics and Compliance Day, the OBSL Gifts & Hospitality Policy, the Group Conflicts of Interest Policy and the Group Anti-Corruption Policy (the "**Orange Policies**"), when making decisions on behalf of the Company.

As defined and outlined in the Statement of Corporate Governance Arrangements, the 2021 Governance Roadmap includes the adoption of an updated governance policy. The processes behind general decision making and the processes behind making principal decisions will be further documented in the governance policy.

The SMT will continue to be responsible for ensuring that active engagement with key stakeholders is undertaken prior to the consideration of any principal decision, in order to understand and evaluate the stakeholders' perspective. Where a principal decision is to be made, an impact assessment will be undertaken by the SMT or on its behalf, the results of which will be documented for recommendation to the Board. The impact assessment will provide an assessment of the impact of the principal decision on key stakeholders, how each key stakeholder's interest was considered throughout the assessment process, details of any risks identified and resulting actions proposed to be taken to monitor and mitigate those risks. Consideration will also be given to any potential impacts on OBSL's reputation and how that impact will be monitored.

Principal decisions, defined as those which: (i) are linked to matters of strategic importance; (ii) are commercially material matters of financial or operational importance; and (iii) impact key stakeholders, are reserved for the Board and include:

- dividends;
- substantial changes to the Orange brand; and
- matters that will substantially affect the Company's employees.

In making its decisions, the Board is required to consider the outcome of any stakeholder impact assessment that has been undertaken to support it in making that principal decision.

The principal decisions made during the year were:

### **Dividends paid to the shareholder**

We create value for our shareholder by managing, developing and exploiting the Orange brand, generating strong and sustainable results that translate into dividends.

In making their decisions, the directors took into account OBSL's strong capital position, the amount of its distributable reserves, and its cash position. Consideration was given to the Company's business and the actual and contingent liabilities inherent in that business, and the ability of the Company to be able to pay

its debts as they fell due. The Company understands the importance of delivering dividends to its shareholder. The Company is therefore committed to maintaining an appropriate balance between total cash returns to its shareholder, investment in the business, and maintaining a strong capital position.

The Board paper accompanying the recommendation to declare interim dividends includes a section reminding the directors of their Section 172 duties, amongst other things: *“When recommending or declaring the payment of a dividend, directors should have regard to their common law and equitable duties, and statutory duties under the Companies Act 2006 (the “Act”), in particular, sections 171 (Duty to act within powers), 172 (Duty to promote the success of the company) and 174 (Duty to exercise reasonable care, skill and diligence). The directors are also under a common law duty to safeguard the company’s assets and to consider the company’s future financial requirements before resolving to pay an interim dividend. These should be considered in full in relation to the Company.”*

### **Transformation Project**

In line with the Orange group’s Strategic Plan ‘Engage 2025’, it is proposed that the Company focus on consolidated key activities located in London, retaining a small flexible work hub in Bristol (the **“Transformation Project”**). The Transformation Project would mean that only unique roles with critical skills would be kept within OBSL. It is due to complete by 30 June 2021.

For details of how the directors engage with employees on the Transformation Project and the main methods the directors have used to engage with employees, please refer to Engagement with Employees Statement further below.

## **STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS**

### **Summary**

The Board of OBSL is pleased to present its Statement of Corporate Governance Arrangements for the period to 31 December 2020. This statement includes a review of corporate governance arrangements which, together with the risk management processes, acts as the foundation to our business and the decisions we make. The Board is committed to the creation of long-term sustainable value for the benefit of our ultimate shareholder, Orange S.A. (“**OSA**”), and wider stakeholders, as discussed in the Engagement with Suppliers, Customers and Others Statement.

The Regulations (as defined in the Section 172(1) Statement) aim to extend sustainable and responsible governance practice beyond listed companies to private limited companies. As a large private company which meets the threshold, OBSL is required to disclose its corporate governance arrangements, including whether it follows any formal corporate governance code. As a private limited company, OBSL is not subject to the UK Corporate Governance Code. Instead, the Company applies its own corporate governance practices under the stewardship of the Chairman of the Board, the company secretary and the Orange group guidance and policies. The Company will shortly undertake a further review of its corporate governance protocols and controls, with a view to presenting several recommendations for the Company to implement during 2021, in order to enhance its current corporate governance arrangements (the “**2021 Governance Roadmap**”).

### **Purpose**

As announced on 10 December 2019 and set out on the Orange group website, the Orange group has adopted the following purpose: “We are a trusted partner who gives everyone the keys to a responsible digital world”. OBSL is part of the Orange group and a wholly owned subsidiary of OSA. The Orange group has a number of group wide policies in place to support the execution of its purpose, which drives overall engagement with employees, shareholders and wider stakeholders across the group, including OBSL, as well as determining its culture. The Orange group’s code of ethics (“**Group Code of Ethics**”) applies to all Orange employees, including OBSL directors, and provides a set of principal actions (Commitment to Respect, Commitment to Integrity, Commitment to Quality and The Team Spirit) together with a set of guiding principles to strengthen the trust of its employees, customers, suppliers, shareholders, partners, and society as a whole. The Company’s culture is the combination of values, attitudes and behaviours demonstrated by OBSL and its employees in its activities and relations with stakeholders. Demonstrating the desired culture helps us to maintain the desired reputation for high standards of business conduct.

OBSL’s purpose is to own, manage, protect and license the Orange brand globally. Against this core purpose, OBSL employs UK based staff to support the commercial activities of OSA and its subsidiaries around the world. The Orange brand represents a key asset of the Orange business. The Board has a responsibility to consider factors which will contribute to the Company’s long-term success, as well as a responsibility to the Orange group and OBSL’s stakeholders to fulfil its purpose. The Board is also responsible for policing and safeguarding the global use of the Orange brand, principally undertaken through the licensing framework for which the Board has responsibility, in respect of the territories in which OSA and its affiliates operate. Failure to do so may result in severe financial, commercial and reputational consequences for the Orange group, due, amongst other things, to the impact on the revenues stream derived from the use of the Orange brand by OBSL’s stakeholders.

The Orange group is responsible, amongst other things, for setting the group strategy and deciding on new activities and territories into which the Orange group may expand its operations. Decisions around

acquisitions, diversification or expanding into new territories are taken at Orange group level, whereas the OBSL Board is wholly responsible for any decisions affecting the rebranding of newly acquired entities and the launch of new activities under the Orange brand. Similarly, the Board is responsible for managing any extraction of the Orange brand from entities which are divested, pursuant to a decision made by the Orange group.

## **Corporate Governance Practices**

### **Application**

This section provides an overview of how the Board applied its corporate governance practices for the year to 31 December 2020.

The directors are mindful of corporate governance and seek to demonstrate an understanding of their accountability and statutory responsibilities, including application of their Section 172 duties under the Act and broader obligations under wider regulatory responsibilities, including the responsibilities of the senior accounting officer, tax strategy regime, greenhouse gas emissions (Streamlined Energy & Carbon Reporting) and the General Data Protection Regulation as it applies in the UK (tailored by the Data Protection Act 2018), amongst others.

The Board is ultimately responsible for organising and directing the affairs of the Company in a manner most likely to promote the success of the Company for the benefit of its sole member, whilst complying with legal and regulatory frameworks. At the present time, the Board delegates day to day activities and stakeholder engagement to the SMT. Brand related activities are delegated to the global brand team (GBT).

Board meetings are held quarterly, scheduled a year in advance, with a schedule of recurring matters.. Those preparing Board papers are provided with a template to ensure that sufficient information of high levels of quality and integrity is provided to the Board, and the directors receives a reminder of their Section 172 duties with every Board pack of documents. The company secretary provides an annual corporate governance update to the Board on new and amended legislation, including the steps taken by the Company to comply.

Since the start of the Covid-19 pandemic, business continuity and other Covid-19 related matters have been included in the schedule of recurring matters.

### **Board Composition:**

The Company has composed a Board with a balance of skills, backgrounds, experience and knowledge required to compliment the promotion of the long-term success of the Company and to identify the impacts of the Board's decisions on the Company's key stakeholders, and where relevant, the likely consequences of those decisions in the long-term. Individual directors have sufficient capacity to make a valuable contribution that is aligned to the Company's activities. Currently, the Board comprises members whose experience is not purely brand-related, bringing a more diverse thought process to its decision making, which helps identify the impacts of the Board's decisions on the Company's key stakeholders.

Below is a brief biography of the directors of the Company as at 31 December 2020:

<b>Christophe Naulleau – Chief Governance Officer Europe</b>
--

Christophe is Chief Governance Officer Orange Europe, and is the Chairman of the Board at OBSL. He is also the Head of Group in UK and sits on the Group in UK SMT. He is a board member at Orange Belgium, Orange Espagne and Orange Slovakia, affiliates of the Orange group. He is the director of the Orange Directors' Programme, which aims to promote best standards of governance across the Orange group, including its global subsidiaries. Christophe's dual roles are reviewed annually. Christophe has a finance background and a wealth of experience in operations within the Telco industry.

**Gillian Miles – HR and Operations Director**

Responsible for the HR function, Health and Safety, and Facilities, Gillian has a business background and brings both business and HR skill sets to the Board. Gillian is MBA qualified with over 30 years' experience working in HR.

**Christine Walser-Sacau – Global HR Business Partner for Customer Services & Operations at Orange Business Services, an affiliate of OBSL**

Christine has a legal and business background, and is Global HR business partner in Orange Business Services, an affiliate of Orange SA.

**Mickael Faure – Brand Strategy and Performance Director**

Mickael has 20 years' international professional experience in Commercial, Marketing, Strategy, Brand & Communication within Telco & Digital industry. Mickael has occupied various telecommunications Senior Management positions based in Orange France, Orange Madagascar, Personal Argentina, Orange Botswana, Orange Moldova, Orange Espagne and currently in the UK.

**Jean-Francois Rodriguez – Senior Vice President, Global Brand and Sponsorship**

Jean-Francois is responsible for the Orange brand and sponsorship management and strategy at the Orange group. His role includes defining global brand strategy, guidelines, developing international communication platforms, media buying, digital activation, rebranding, sponsorship contracts and full activation. He has in-depth knowledge of the telecoms, media and internet industries. His areas of experience include: strategy, brand, communication, media, marketing, digital media, media industry partnerships, management, product and business innovation, and business transformation.

**Donna Soane – Director of Global Sponsorship and Partnerships**

Donna has over 20 years' international professional experience in marketing, business development, brand, communications, sponsorship and partnerships within the telecommunications and media industries. Donna is responsible for the strategic direction and management of Orange group's extensive sponsorship and partnership portfolio. Her role also includes the negotiation and activation of Orange's major international sponsorship contracts.

In addition to the directors, the following are regular attendees at each Board meeting:

- General Counsel
- Finance Director
- Company Secretary
- Head of International Tax for Europe and MEA Divisions

The following also attend the Board meeting on a scheduled basis:

- IT Director
- Group Director of Fraud Risk Intelligence and Investigative Analysis

The regular attendees provide further diversity of thought to each Board meeting, enable the Board to engage in richer discussions, and help the Board debate and reach consensus on decisions by providing commercial, legal and financial updates, perspectives and information, that supports the decision-making process.

### Training

Newly appointed directors are provided with a bespoke induction, which includes training on their primary duties under the Act and broader regulatory responsibilities, e.g. obligations regarding General Data Protection Regulations, Anti-Money Laundering, Corporate Criminal Offences, dependent on their previous exposure to a board, as well as their skills and experience. The Board undertake relevant training from time to time, to ensure directors maintain a clear understanding of their responsibilities and accountabilities. Orange Policies remain in place to support these primary duties and broader regulatory requirements.

The company secretary is responsible for keeping the Board up to date with regulatory changes and, where appropriate, training will be extended to the SMT to enhance their effectiveness in supporting the directors. OBSL procedural documents provide a summary of directors' duties and the importance of management information to supplement decision making under Section 172. As noted above, each Board pack of documents contains a reminder of the directors' Section 172 duties.

To support effective decision-making, the directors and the SMT take into account the Orange group-wide governance policies and practices, including the Orange Policies, when making decisions on behalf of the Company. Furthermore, in 2018, the Board underwent a governance refresh to ensure that sufficient information of high levels of quality and integrity is provided to the Board. This led to the review of the Group in UK and OBSL Directors' Manual (the "**Manual**") and the introduction of the OBSL BOD Procedure Guidance. The purpose of the Manual is to support directors of Group in UK subsidiaries (including OBSL) in the performance of their duties and responsibilities upon appointment, and to familiarise them with group policies as relevant. The OBSL BOD Procedure Guidance document sets out requirements and templates for notice of meetings, agendas, Board papers, chairman, decision making, quorum and voting, annual timetable, exceptional Board meetings, minutes and company law considerations.

OSA has implemented a training programme to ensure that the members of governance bodies, including those of OBSL, gain a better understanding of the various requirements and responsibilities related to the exercise of their appointment as a director. To ensure that expertise and principles of good governance are circulated more widely, additional actions are taking place:

- Training is being further improved, with more sessions and additional formats such as digital, for France and at an international level, and with the addition of modules for more specific themes, including not only theoretical topics, but also the sharing of best practices.

- Each new Orange group board member must attend the relevant training that is offered, and must read the kit that is provided in the context of the mandate which he or she exercises within the group.
- Best practices and experience sharing sessions are implemented; board members are able to contact mentors and specific experts if needed.

### Opportunity & Risk:

The Board perceives that its main opportunities lie in increasing revenue from the Orange brand through licensing activities and opportunities which arise from the activities of OSA in diversification, acquisitions and exploring new territories and developing new areas of activity, thus pursuing its objective to increase the Orange brand's value and to maintain, develop and protect the Orange brand.

The Company has a comprehensive risk management and business continuity process in place, which is designed to identify, manage and mitigate business risk. Regular reporting of these risks and the monitoring of actions and controls is conducted by the Board. This process considers, among other things, the possibility of financial loss, business interruption or damage to our brand due to cyber (failure of IT systems) risk, civil disturbance and other events, such as the Covid-19 pandemic; details of our principal risks and uncertainties are set out in the Strategic Report.

The Board is ultimately responsible for enhancing and protecting the Orange brand to achieve and maintain long term success, which it considers to be its main strategic objective. As such, the Board recognises the importance of receiving regular, timely and accurate information on any matter affecting the brand, allowing it to take appropriate action when required.

Following the start of the Covid-19 pandemic <sup>1</sup>, a director of the Board, who is also a member of the crisis management team, has been part of a dedicated team whose aim has been to ensure business continuity and to mitigate the risks associated with the pandemic. The team monitors the crisis, particularly in respect of its impact on the Company's activities and key stakeholders, and works to deliver a safe working environment, especially for employees, providing regular updates to the Board. Details of activities and initiatives towards mitigating this risk are set out in the Strategic Report, Engagement with Stakeholders and Employee Engagement.

The Board has delegated responsibility to the Fraud, Ethics and Compliance Steerco, amongst other things, to act as a point of reference for all issues relating to fraud, ethics and compliance and to present to the Board the fraud risk map, to discuss emerging risks and make recommendations to the Board as to what, if any, response should be made to address those risks.

---

<sup>1</sup> On 30 January 2020, the World Health Organization ("WHO") declared the outbreak of COVID-19 ("Covid-19") to be a "Public Health Emergency of International Concern" and subsequently, on 11 March 2020, characterised it as a "Pandemic", the first to be caused by a coronavirus.



## Stakeholder Relationships and Engagement

In order for the directors to adequately consider their Section 172 duties, it is important for them to identify OBSL's key stakeholders and the importance of those stakeholders on the long-term success of the Company.

The Board has considered the stakeholders that are impacted by the Company and its business activities, and consider its employees, the brand licensees, Charities, brand partnerships and its shareholder to be its key stakeholders.

As noted in this Statement of Corporate Governance Arrangements, at the present time, the Board delegates stakeholder engagement to the SMT.

## 2021 Governance Roadmap

It is the Board's intention to adopt an overarching corporate governance policy during 2021, following completion of the Transformation Project (the "**Governance Policy**"). The Governance Policy will formalise existing governance policies and controls, and seek to provide directors and the SMT with a clear process to follow, responsibility for which is reserved by the Board to ensure that the directors can demonstrate sound and competent execution of their statutory duties (including oversight of the management of relationships and engagement with key stakeholders on their behalf) in accordance with the Act and the Regulations, as well as other applicable legislation.

The 2021 Governance Roadmap will include:

- the adoption of the Governance Policy to:
  - formalise entity and operational governance over new and existing OBSL corporate governance practices and policies;
  - detail governance requirements (meeting requirements, Board composition, etc.);
  - provide a corporate approval policy, outlining matters reserved for the Board, the SMT and relevant information flows ;
- ensuring that everyone involved in and contributing to the decision-making process, from the Board to those preparing Board paper, understand the duties which the directors are obliged to consider in the decision-making process and the Regulations, in order to be able to provide relevant information and therefore lead to effective decision making.

## **ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS STATEMENT**

The Company considers its employees, the brand licensees, Charities, brand partnerships and its shareholder to be its key stakeholders, with whom it aims to build enduring relationships. The Company engages with its key stakeholders and considers their differing needs and priorities as an everyday part of its business and uses the input and feedback received to inform its decision making.

The table below describes how the directors have had regard to the need to foster relationships with key stakeholders in a business relationship with the Company, and the effect of that regard, including on the decisions taken during the reporting period:

<b>Key stakeholders</b>	<b>Stakeholders' interests</b>	<b>How we have fostered relationships</b>	<b>How the fostering of relationships impacted decision making</b>
<b>Employees<sup>2 3</sup></b>	For details on how the Company has engaged with its employees, how the directors had regard to those employees' interests, and the effect of that regard, including on the decisions taken during the reporting period, refer to the Engagement with Employees Statement in the directors' report.		
<b>Brand licensees<sup>1 2</sup></b>	<p>The ongoing reputation of the Orange brand.</p> <p>The acceptable use of the Orange brand.</p> <p>Level of brand licence fees payable under brand licence agreements.</p> <p>Renewal of brand licence agreements.</p>	<p>There are three levels of engagement with brand licensees:</p> <ol style="list-style-type: none"> <li>1. with our brand legal affairs team who engage with licensees on matters related to brand enforcement, defence and protection;</li> <li>2. with our brand strategy team who engage on matters relating to operational implementation, and use, of the brand;</li> <li>3. with our finance team who engage with licensees on financial matters such as brand</li> </ol>	<p>During the reporting period no principal decisions have been made that impact the brand licensees.</p> <p>The Board is provided with regular reports on renewals of, and negotiations for new, brand licence agreements, by our brand legal affairs team. In addition, our brand strategy team updates the Board on the ranking of the Orange brand and brand reviews undertaken. The Finance team provides updates relating to brand fees and aged debtors, amongst others. The information received supports</p>

<sup>2</sup> Those stakeholders which are likely to be affected by the actions of the Company

<sup>3</sup> Those stakeholders whose actions can affect the operation or business model of the Company

		fees, invoices and payments.	effective decision making by the Board.
<b>Charities<sup>1</sup></b>	<p>To continue to receive 1 day's volunteering each year from OBSL employees</p> <p>To continue to benefit from fundraising matching, matching up to £500 per employee each year</p> <p>'Dogs for Good' to continue to be the charity of choice by OBSL employees</p>	<p>The Company engages with charities collectively through joint CSR and employee activities on multiple levels:</p> <p>There is a fund to match employee fundraising or volunteering in their own time. Our employees volunteer every year and can take one day per annum to volunteer for a charity of their choice in work time and we will match employee fundraising up to £500 each year for a charity which falls within the main axes of the Orange Foundation.</p> <p>This year our employees have chosen to sponsor a special assistance puppy through the Dogs for Good charity.</p> <p>We promote an initiative whereby employees can donate their last hour of pay to charity annually, which is taken up by a number of employees.</p> <p>Our employees also have the option to make monthly donations through a GAYE payroll scheme.</p> <p>This year, the Company participated in Orange volunteering</p>	<p>During the reporting period no principal decisions have been made that impact our represented charities.</p> <p>The Board is provided with a bi-annual report on people activities, in which the Company's CSR activities and employee engagement with charities are included..</p> <p>Due to the Covid-19 pandemic there have been limited CSR activities during the reporting period.</p>

		<p>for the NHS Initiative and employees who participated in the initiative shared their experience.</p> <p>Weekly fruit baskets offered to employees in the office were donated to the NHS.</p>	
<b>Brand partnerships<sup>1</sup></b>	<p>The ongoing reputation of the Orange brand to foster successful partnerships to create powerful experiences that have a positive impact and long-term legacy.</p>	<p>Group Sponsorship engages with partners based on their relevance to the brand and business. Group sponsorship agrees terms for sponsorship rights with partners and works with OBSL legal teams to formalise contractual agreements</p>	<p>During the reporting period no principal decisions have been made that impact brand partnerships.</p> <p>The Board is kept informed of any proposed partnerships and involved in the decision-making process of OBSL partnerships. The Board is provided with the rationale and support documentation to assist in the decision-making process. The Group sponsorship teams engage directly with all partner stakeholders to manage the duration and performance of agreements.</p>
<b>Shareholder<sup>1 2</sup></b>	<p>The Company is 100% owned by OSA.</p>	<p>The Company reports to its shareholder on a regular basis in the form of its financial statements, monthly and quarterly board reports and business reviews, presentations to the board of the Group, review of key strategic bids, business plans and strategic plans as well as risk reporting.</p>	<p>The Company's strategy is to pursue strategic growth to create long term value for its shareholders.</p> <p>The receipt of this information, and the coordination with Group functions, aids the Board when considering the amount of dividend and impact at local level.</p> <p>Dividends, which are</p>

			<p>categorised as a principal decision, were considered and approved during the reporting period. For further details on the principal decisions made, refer to the Section 172(1) Statement in the strategic report.</p> <p>In line with the Orange group's Strategic Plan, 'Engage 2025', it is proposed that the Company focus on consolidated key activities located in London, retaining a small flexible work hub in Bristol. This would mean that only unique roles with critical skills would be kept within OBSL.</p>
--	--	--	--

## **ENGAGEMENT WITH EMPLOYEES STATEMENT**

The Company considers its employees to be a key stakeholder. Throughout the year, the directors have engaged with the Company's employees in various ways to provide information on matters of concern to them as employees, to take into account their views in making decisions likely to affect their interests, to encourage involvement in the Company's performance and to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Company's performance. During the reporting year, there has been more engagement with employees and a focus on employee wellbeing, particularly during the lockdown<sup>4</sup> ("Lockdown") periods.

The table below describes how the directors engaged with OBSL's employees, how the directors had regard to those employees' interests, and the effect of that regard, including on the decisions taken during the reporting period:

<b>Employees' interests</b>	<b>How have the directors engaged with employees</b>	<b>How the directors have had regard to employee interests, and the effect of that regard</b>
<p>Providing information on matters of concern to them as employees and to achieve an awareness of factors affecting the performance<sup>5</sup> of the Company, such as quarterly results, strategy, sustainability, training, bi-annual performance related bonus scheme, career development and diversity and inclusion</p> <p>In line with the Orange group's Strategic Plan, 'Engage 2025', it is proposed that the Company focus on consolidated key activities located in London, retaining a small flexible work hub in Bristol. This would mean only unique roles with critical skills would be kept within OBSL</p>	<p>ECON (Employee Consultation) discusses employee matters, changes to employee policies and anything affecting our employees, including the Transformation Project. Matters are fed back to the SMT. For the purposes of the Transformation Project a G1/G2 representative was nominated by the G1/G2 population to join ECON for all discussion and negotiations regarding the transformation process.</p> <p>Employee wellbeing surveys and wellbeing support from HR via 'Thrive' app, and our partners, AXA and Employee assistance</p> <p>Providing training and development opportunities in diverse areas for a career</p>	<p>OBSL employees choose their own representative to attend ECON on their behalf, ensuring that the OBSL employee voice is represented and heard.</p> <p>The SMT act on matters fed back to them, and refer to the Board as necessary.</p> <p>Elected employee representatives from various areas of the business meet regularly with the SMT to discuss items of employee interest and issues arising from business proposals and changes.</p> <p>The Company strives to promote inclusivity and does not discriminate between employees or potential employees on grounds of race or ethnic origin, disability, gender, sexual orientation, age, religion or</p>

<sup>4</sup> Following the global pandemic, the UK Government announced restrictions (Lockdown) to the movement of people, except for essential needs and daily exercise. There were two Lockdowns during 2020.

<sup>5</sup> The Company participates in the Orange Vision Share Award, an employees' share scheme subject to Group performance criteria.

	<p>pathway as part of learning from home</p> <p>Implementation of Return to New Normal (“<b>RTNN</b>”), including: delivery of Covid-19 secure offices in line with Government guidelines; RTNN wellbeing surveys; and a dedicated RTNN internal web page.</p> <p>Increased budget for home working accessories, monitor screens, keyboards and risers.</p> <p>Frequent virtual community catch ups and team events</p> <p>Virtual Lockdown photography competitions and promotion of other virtual events.</p> <p>A ‘Dine In’ Christmas treat for employees</p> <p>Engagement of outplacement service to support employees affected by the Transformation Project</p>	<p>belief. The Company is committed to valuing the diversity of its people and it monitors and reports internally on aspects such as gender and age equality</p>
<p>Being consulted on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests.</p>	<p>Our employees are encouraged to participate in our group annual survey, the social barometer.</p>	<p>Results from the social barometer are provided to the Board by the HR director. Workforce-related issues are considered, addressed and the workforce updated on the action taken.</p>