

Yahoo-UK Limited Section 172(1) statement – FY 2023

Section 172(1) statement

Yahoo's culture, strategies and policies, which are continuing to be developed, are identified and reviewed at group level by the senior executives of Yahoo. Yahoo and its group of companies ("Yahoo Group"), which includes the Company, believes that it must effectively address and balance the interests of all of its stakeholders, including its shareholders, employees, customers, communities, suppliers and others, in order to put itself in the best position to serve its customers, provide critical services to the community and grow profitably over the long term. This belief is reflected in the Yahoo Group's values, integrity, respect and accountability, which are set out in the Yahoo Group's Standards of Business Conduct and which guide the Company's decision-making.

The Company's principal activities are to: (i) provide marketing, strategic and business support services; and (ii) provide research and development services to Yahoo EMEA Limited which operates the business of providing consumers with owned and operated and third-party search properties as well as mail, news, finance, sports and entertainment offerings, and provides other businesses and partners access to consumers through digital advertising, content delivery and video streaming platforms in the UK as well as the EMEA region (the "Yahoo EMEA Business"). In addition to these activities, the Company, along with Yahoo EMEA Limited has obligations under a customer contract with a broadband provider for the provision of co-branded mail services in the UK. The directors of the Company however recognise that their statutory duties are owed to the Company and believe when taking board decisions during the year ended 31 December 2023 that they have acted in a way that they consider, in good faith, would be most likely to promote the success of the Company and having regard to those matters set out in s172 of the

Companies Act 2006 ("CA 2006"). The Company is wholly-owned by Yahoo Holdings Inc. The directors did not consider section 172(1)(f) (regard to the need to act fairly as between members) to have been relevant to the proper discharge of their duties.

The directors continue to receive a broad range of training, pertaining to their functional roles and more broadly in terms of leadership and other personal skills. To better enable the directors to discharge their duties pursuant to the CA 2006, the directors are briefed specifically on their duties as directors of the Company, in particular when reviewing specific transactions that require careful analysis of their duties such as those related to solvency.

Regard to the likely consequences of any decision in the long term

When making decisions, particularly those of a strategic nature, the directors with the support of the relevant business function and wider Yahoo Group's policies and strategies in place, have regard to the likely long-term consequences of their decisions. During the year, the directors receive reports and updates from the business to enable them to consider a range of topics including, but not limited to, financial performance and matters relating to tax, treasury, environment, health and safety, and employment. The directors continue to be supported by a number of corporate functions, including Legal, Accounting, Treasury, Tax, Human Resources, Compensation & Benefits and business functions covering the provision of services to customers and related party customers, and the procurement of services from vendors.

In February 2023, Yahoo announced plans to transform Yahoo's Ad tech division, Yahoo for Business, to set it up for long-term success. Yahoo for Business is now narrowing its focus and future investments solely on its flagship DSP business, which has a strong market position and high-growth potential. The new division is called Yahoo Advertising. At the same time, Yahoo has sunset its SSP, and is shifting its Native Advertising efforts to the partnership with Taboola that was announced in November 2022.

Regard to the interests of the Company's employees

The directors, in conjunction with the wider functions within the Company, including in particular its Human Resources and Compensation and Benefits teams, recognise the need to engage with employees

and have regard to their interests. The Company's employee engagement statement in the Employee Engagement Section of this statement and the Directors' Report, provides examples as to how the directors engaged with the Company's employees.

Group wide employee benefits, including employee pension schemes, health insurance, income protection insurance and death in service insurance, and other measures such as market rate compensation packages are in place and the directors believe that these ensure that its employees' interests are well cared for.

Regard to the need to foster business relationship with suppliers and customers

The directors have a broad understanding of the multitude of group policies and initiatives in place to support supplier, customer and related party customer relationships. The Company's statement of engagement with customers and suppliers below sets out some of the group's policies and initiatives in this respect.

The directors recognise the importance of supply chain transparency, reflected by the various group wide policies, as well as the pre-contract supplier due diligence processes to ensure suppliers meet certain requirements.

During the year, the Company continued to provide certain services to Yahoo EMEA Limited which operates the Yahoo EMEA Business. Unlike Yahoo EMEA Limited, the Company does not have contractual relationships with advertising customers in the UK. The Company does however, along with Yahoo EMEA Limited, have obligations under a customer contract with a broadband provider for the provision of co-branded mail services in the UK.

Regard to the impact of the Company's operations on the community and environment

Yahoo for Good, our company's philanthropic platform, empowers employees to give back in all the ways that are meaningful to them, inclusive of employee donations, volunteer hours and service projects. The mission of the program is to help build stronger communities and enable employees to make an impact in the world in their own way. Yahoo encourages employees to give back to causes they are passionate about through volunteering and our corporate donation-matching programs. Both volunteerism and charitable contributions are managed through the same Yahoo for Good platform.

The Volunteering section of the platform helps employees find, create, and participate in service opportunities of their choice. Yahoo encourages employees to volunteer their time and talent in any way they choose and with causes they care about. All Yahoo employees and interns can participate in skill-based or service-based volunteering with eligible charitable organisations. Additionally, every employee gets three days (24 hours) of volunteer time off per year to give back to their community. They can volunteer individually or with their teams during regular work hours.

Through the Yahoo for Good Program, employees can donate to non-profit organisations close to their hearts and double the impact with Yahoo for Good's company match. Yahoo will match up to \$1,000 USD in donations to eligible non-profits for all employees, per year. Employees can use the platform to track volunteer hours and donations on a personalised Yahoo for Good dashboard.

The Company's Green Team – made up of more than 100 employees – works to help reduce Yahoo's environmental impact and encourage sustainability and green living. The Green Team meets on a regular basis to brainstorm ideas, discuss implementation plans, and create awareness programs for employees. Examples of key initiatives from the Green Team are increasing paper recycling rates and shifting towards cleaner energy alternatives at the workplace.

Employee Engagement Statement

The Yahoo Group, of which the Company is part, is committed to creating a diverse workplace that is inclusive and inspiring. Yahoo remains focused on building a culture of engagement that enables employees to thrive and grow in their careers. The directors of the Company are committed to ensuring its employees are engaged and recognise that such engagement is fundamental to how the Company

achieves success as a business. The Company fosters a culture of belonging where employees can use their creativity, curiosity, and skills to make a difference. Examples of ongoing initiatives that continue to strengthen engagement with the Company's employees during 2023 include:

- All-Hands Meetings: employees of the Company are invited to attend all-hands meetings held by senior executives and departmental managers. These meetings provide an opportunity to engage with leaders, hear the strategies and initiatives of the business, and raise questions. Employees' contributions to the success of the business were also recognised.
- Regular department meetings were arranged by senior managers to provide deeper information about strategies and initiatives of the business and a more informal forum to discuss departmental matters.
- Employee satisfaction surveys are circulated electronically to gather views on a number of matters. The responses were reviewed by Yahoo leadership and any appropriate next steps identified, actioned and communicated to employees.
- The Company's ethics line enabled employees, at an individual level, to raise specific concerns with key stakeholders. In addition to Yahoo's group-wide online Standards of Business Conduct Policy, updated annually, there is a SBC Regional Advisors program made up of lawyers and business professionals drawn from different businesses and markets (including the UK) that provides local points of contact and lines of communication to help employees improve how we spot, manage, and stay ahead of ethics and compliance risks.
- Employees received regular communications on health and well-being resources available to support them, including an Employee Assistance Programme, on-demand webinars, private one-on-one counselling sessions, personal training, and guided meditation sessions.
- There are multiple employee learning and career development programs, including our Journey to Inclusion training, which offers sessions about inclusivity, how to foster it in the workplace, and how we can overcome our bias to foster a culture of equity and belonging.
- Social events.
- The ongoing Work @ Yahoo programme was designed meet our employees' needs and encourage flexible and hybrid working. Employees can continue working from home where their roles and responsibilities allow them.
- Our 11 Employee Resource Groups (ERGs) continue to be a priority to foster inclusion, belonging, and support in the workplace. The ERGs include WIN - Women's inclusion Network, and family-oriented PACT - Parents and Caregivers Together network, as well as groups for Black, Latino, Asian, Native American, military veterans, neurodivergent, LGBTQ+, and more. ERGs focus on a number of activities including career conversations, development, growth, and consulting employees on flexible working.
- Our United Multi-Cultural ERG focuses on empowering the voices of people of the world - regardless of their heritage, race, culture, or religion, to create a safe space that promotes difference and inclusion. ERGs support the Company to foster an equitable work culture that propels diversity, champions inclusion and amplifies belonging.

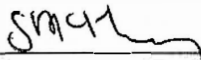
Statement of engagement with customers and suppliers

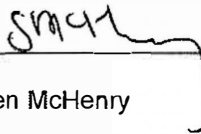
The directors recognise that it is critical for the ongoing success of the business to foster strong relationships with its suppliers, customers, related party customers and wider stakeholders. Although the Company's business model is such that the Company does not directly contract with advertising customers, it does have a customer contract, to which Yahoo EMEA Limited and other Yahoo Group members are also a party, with a broadband provider for the provision of co-branded mail services in the UK. In addition, the Company has service provider agreements in place with Yahoo EMEA Limited pursuant to which the Company provides marketing, strategic and business support, as well as research and development services. The directors have a broad understanding of the multitude of group policies and initiatives in place to support and strengthen those relationships and examples of some of those measures are set out below:

- a service delivery organisation which helps ensure customer and related party customer services were delivered in line with customer expectations;

- customer and related party customer account management which focuses on customers' key business imperatives;
- management of the life cycle of related party customer contracts;
- customer satisfaction surveys actively seeking customer feedback and providing an opportunity to improve customer services resulting from any such feedback;
- online and onsite service demonstrations with customers and related party customers; and
- a supplier code of conduct, containing principles to be implemented by suppliers to promote ethical conduct in the workplace, including anti-bribery and anti-slavery measures, safe working conditions, the protection of sensitive information, the treatment of workers with respect and dignity, and responsible supply chains.

For and on Behalf of Yahoo-UK Limited





Steven McHenry