



Section 172 Companies Act 2006 statement



Telefonica Digital Limited

2020

EXTERNAL

This statement, provided by the Directors of Telefonica Digital Limited (the “Company”), sets out in tangible terms how the Directors have had regard to the considerations set out in Section 172(1) of the Companies Act 2006.

The Directors in the performance of their statutory duties detailed in Section 172(1) of the Companies Act 2006, have a responsibility to act in a way they consider, in good faith, would most likely promote the success of the Company, for the benefit of the shareholders as a whole. In doing so the Directors have had regard to:

1. The likely consequences of any decisions in the long term;
2. The interests of Company’s employees;
3. The need to foster the Company’s business relationship with suppliers, customers and others;
4. The impact of the Company’s operation on the community and environment;
5. The desire of the Company to maintain a reputation of high standard of business conduct; and
6. The need to act fairly between shareholders of the Company (there are no minority shareholders).

As a wholly owned subsidiary of Telefonica Digital España (and ultimately of Telefonica S.A.), a significant proportion of the Company’s policies and processes are consistent with those of its parent entity. The Directors are of the opinion that they have fulfilled their obligation through the governance framework of its parent entity.

The Company has practices and procedures in place to ensure the matters set out in Section 172(1) of the Companies Act 2006 are duly considered. The Company continues to implement relevant policies, controls and procedures described above to maintain this compliance. During the year the Directors were reminded of their directors’ duties, in particular the matters which should be considered when fulfilling the obligation to promote the Company’s success. As a matter of routine Board agendas periodically feature stakeholders’ matters, and board briefings have been updated to include analysis of the consideration of these matters.

Telefonica Digital Limited – Section 172(1) Statement for the year ended 31 December 2019 approved by the Board of Directors on the 8 September 2020.