

November 2020

Xerox (UK) Limited S172 Companies Act 2006 statement

The directors have considered their duty under section 172 of the Companies Act 2006 to act in good faith and to promote the success of the Group for the benefit of its shareholders as a whole. In particular the directors have had regard to:

- likely consequences of any decision in the long term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and environment
- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the Group.

As a subsidiary trading entity we recognise that business strategy and the majority of decisions and policies affecting the Group and our stakeholder groups are made at Xerox Corporation level and cascaded through the management structures of the Group. Directors of the Group implement these decisions and policies whilst ensuring that they continue to promote the success of the Group. The board is represented in the Xerox Group's management and decision-making processes through membership of senior leadership team. This ensures that the board is actively involved in maintaining control of the Company's direction.

Significant events for the Group during the year, which were also principal decisions, included the triennial review of the Xerox Final Salary Pension Scheme commenced in the year with close involvement of the Directors along with the trustees. The aim of this process is to review the financial position of the Scheme relative to its statutory funding objective and to determine the appropriate level of future contributions. Directors must consider and balance the consequences to the Group, to its employees and to its pensioners when agreeing future pension scheme funding levels. Several joint meetings have already taken place and the review is ongoing.

Engagement with our stakeholder groups is important for the business. Our stakeholders include our customers, suppliers, employees, and pensioners.

Customers – The Group's sales are mainly to UK based customers. The board maintains close relationships with these customers to understand their requirements. These interactions directly influence the Group's decision-making in respect of demand planning and product ordering.

Suppliers – we recognise an obligation to actively manage our supplier base and ensure these critical partners meet our high social, environmental, and ethical standards. As a member of the Responsible Business Alliance (RBA), Xerox uses the RBA Code of Conduct as our supplier code of conduct and Xerox global procurement and corporate security organizations screen all production suppliers and significant indirect suppliers to assess compliance with global anti-bribery laws and regulations including UK Modern Slavery Act and UK Bribery Act.

Employees – the board values the input and contribution of employees. Directors attend events throughout the year including the Xerox European forum, communication meetings and other round table discussions as part of a two-way exchange of information and ideas.

Environment – Xerox is committed to reducing its environmental footprint, conserving natural resources and lowering the energy intensity of our operations. The Group is aligned with these initiatives and goals.

Information regarding Xerox Group's stakeholder engagement may also be found in the 2019 Corporate Social Responsibility Report [www.xerox.com/en-us/about/corporate-social-responsibility].