

Netflix Studios UK Limited

SECTION 172 (1) Statement

The Director is cognisant of his duties under the Companies Act 2006, and throughout the year he has acted in the way that he considers, in good faith, will be most likely to promote the long-term success of the Company. The Director has had regard to the matters set out in s.172(1)(a)-(f) of the Companies Act. The below paragraphs describe how the Director has specifically considered the matters set out in s.172:

(a) The likely consequences of any decision in the long term:

Netflix operates globally and our unique culture gives teams the freedom and responsibility to make decisions with confidence. As such, direction and decision-making are decentralised allowing the business to move fast. The Director has regard to how the likely long-term consequences of any decision will impact the Company's key stakeholders being its employees, other Netflix Group companies (the 'Netflix Group'), shareholders, the community, environment and suppliers.

(b) The interests of the Company's employees:

We share information openly, broadly and deliberately. Employees are regularly informed and consulted during the year through group-wide 'Town Halls,' leadership staff memos, various functional sessions and other briefings, which include a Q&A component.

Employee Resource Groups are vital in creating an inclusive environment for all employees, specifically those from historically underrepresented and/or marginalised communities. We have numerous active ERGs including: The Village (Parents and caregivers group), Pride ERG (LGBTQIA+ group), Black@Netflix, Women@Netflix, Mental Health ERG in addition to others, each of which has contributed to employee wellbeing and making Netflix a more inclusive place to work.

Between 1 Jan - 31 Dec 2022 we provided various employee engagement events and resources, such as: unlimited access to mindfulness and meditation content, behavioural health coaching available 24/7 to help guide members on how to reduce stress, reach goals and feel supported, support and vouchers for carers, short-term counselling/crisis support through our Employee Assistance Program, coffee & chat sessions where members can drop in to discuss various topics in a safer space.

Inclusion Inside Netflix

Our members come from many different countries and cultures and to entertain them we need a workplace that's equally diverse. The success of our culture depends on our ability to work together as a dream team. Hence, we are intentional about fostering a sense of inclusivity within our teams. From the timing of our virtual calls to the ways that we collaborate on documents and memos, every aspect of our team experience can be used to cultivate a sense of inclusion for the people on our teams. This is especially important as our organisation becomes larger and more diverse in terms of identities, locations, languages, roles, professional backgrounds, ways of working...etc.

We are increasing representation by leveraging the work of our inclusion recruiting programmes team. They train recruiters on how to hire more inclusively, help the Company and senior leaders diversify their networks, and equip those who influence hiring decisions with tools to fight biases in themselves and those they work with.

There is always more work to do to increase representation of historically marginalised groups, though. While increasing representation is important, it's only part of the work. So we continue to build an inclusive workplace where everyone can thrive. The strategy we laid out in our first inclusion report remains the same.

First, we're improving our culture of inclusion and belonging. This past year, we:

- Conducted our annual compensation review to ensure pay equity across the Company,
- Progressed inclusions trainings across all our offices, most recently launching an internal leadership initiative on how to lead inclusively,
- Continued offering inclusive benefits, including gender-inclusive parental leave and family-forming support for employees regardless of marital status, gender, or sexual orientation, and supported our growing employee resource group programme around the world.

(c) The need to foster the Company's business relationships with suppliers and customers

The Company provides support services to other companies in the Netflix Group.

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Strategic report (continued)

In line with the Group's decentralised approach, authority for operational decision making is delegated to management on a day-to-day basis. Management builds and develops relationships with suppliers and other key stakeholders by maintaining communication and good practice based on the Netflix Group code of ethics (available here: <https://ir.netflix.net/governance>) and the Netflix Supplier Code of Conduct (available here: <https://netflix.com/supplier-code-of-conduct>).

(d) Community engagement and the impact of the Company's operations on the environment

At Netflix, we support our employees to make an impact by giving them the freedom to choose an organisation that is important to them and double matching their contributions through our Employee Giving Programme.

We are committed to investing in the UK creative industry by playing a leading role in bridging the skills gap, upskilling the UK creative community, and improving diversity head-on. The Grow Creative Initiative was started toward the end of 2019, and Netflix is now investing GBP 1.2 million a year in a training programme for the screen sector that will help develop and support the careers and training of up to 1,000 people across the UK through our own productions, our partners and educational institutions. Grow Creative UK's focus is on upskilling below-the-line new and emerging British talent, especially those from diverse backgrounds. The programme forms part of Netflix's long term ambition to provide the most impactful training opportunities across High End TV and Film in the UK.

We are also developing a more inclusive pipeline of upcoming creatives across the entire production process and creating additional opportunities for diverse emerging talent and underrepresented stories and voices, through initiatives like our Documentary Talent Fund and the Netflix Screenwriters Fellowship.

Globally, Netflix also focuses its efforts in this sphere through the Fund for Creative Equity, a five year programme, to invest USD 100 million to help build new opportunities for underrepresented communities within entertainment. Through the fund, Netflix supports external organisations committed to creating equitable opportunities in the TV and film industries, as well as bespoke Netflix programs that help us to identify, train and provide job placement for up-and-coming talent globally.

The Company reports the environmental impact of its business in the United Kingdom through its streamlined energy and carbon reporting ("SECR"). This report is available in full in the Director's Report.

(e) The desirability of the Company's maintaining a reputation for high standards of business conduct:

We are committed to managing our business ethically and with integrity. Our Code of Ethics sets out our expectations for conduct among our employees and Board members. We encourage reporting of breaches of our Code or any unethical or inappropriate conduct to our Chief Legal Officer or, in the case of misconduct by a senior financial officer, to the Chair of our Audit Committee. We also provide access to a third-party operated service where reports of misconduct can be made confidentially and, if desired, anonymously, 24 hours a day, seven days a week, 365 days a year in local languages. Reports made through this service are elevated and investigated until they are resolved, and updates are provided annually to the Audit Committee.

As part of our commitment to managing our business ethically and with integrity, we seek to identify and mitigate risks that could lead to potential legal and/or regulatory violations. Our Global Anti-Corruption Policy requires our employees and contractors to abide by global anti-corruption and anti-bribery laws. We provide regular training on compliance with this policy, in addition to conducting regular and ongoing risk assessments. A copy of our practices and policies, which includes the Global Anti-Corruption Policy and Code of Ethics, has been translated into numerous languages and remains available to all employees throughout their employment with us. Other areas of focus include commitments to compliance with applicable government mandated sanctions regimes (with leadership provided by a designated Sanctions Compliance Officer) as well as human rights legislation (e.g. UK Modern Slavery Act).

(f) The need to act fairly as between members of the Company:

The Company is a wholly owned subsidiary within the Netflix Group, with Netflix, Inc. being the ultimate parent company. All interactions with other Group companies are governed by established intercompany arrangements.