

Sotheby's

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This document sets out the s172 Companies Act 2006 statements and corporate governance arrangements published in the 2020 Annual Report and Financial Statements of York UK Holdco International Limited, Oatshare Limited, and Sotheby's (the "Company" or the "Companies"). The Companies are registered in England and Wales.

York UK Holdco International Limited

Section 172(1) statement for the year ended 31 December 2020

The Directors act in a way that they considered to be most likely to promote the success of the Company or the benefit of its member as a whole, and in doing so have regard, amongst other matters, to:

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

The Company's key stakeholders include its subsidiaries' employees, clients, suppliers, and the environment.

How does the Board engage with stakeholders?

The Directors will sometimes engage directly with stakeholders on certain issues, but stakeholder engagement often takes place at an operational level within the business in the Company's subsidiaries. In addition, given the international nature of many of Sotheby's clients, certain stakeholder engagement is led at the Sotheby's Group level, in particular where matters are of group-wide significance or have the potential to impact the reputation of the Sotheby's Group.

The Company's subsidiaries engage with key stakeholders as follows:

Engagement with Employees

As part of the Sotheby's colleague engagement and communication process, the company holds regular global and regional townhall meetings where colleagues are kept informed and up to date on key changes to the company and associated colleague implications e.g. changes as a result of COVID-19. These townhalls are followed by all-colleague emails summarizing the session. There is also the Sotheby's intranet where colleagues have access to a wide range of information which includes, Learning and Developing, Business updates and HR guidelines. Sotheby's also runs an annual global colleague survey where colleague feedback on Reward, Culture and Development are collated, reviewed and used to drive colleague engagement/development initiatives, such as the establishment of employer recognized groups (ERG's) to improve diversity and integration. Key changes to personal benefits, for example changes to the UK pension schemes, are also communicated to employees through email and direct mail.

Engagement with clients

On the broadest level, Sotheby's engages with its clients through its website and related digital and social media, which provides information about its auctions, buy now inventory and services. When clients visit Sotheby's salerooms or offices, they meet Sotheby's colleagues, view exhibitions, attend events and enjoy its restaurants. The company relies on a select group of clients who make a significant contribution to its revenues, profitability and operating cash flows. Accordingly, Sotheby's revenues, profitability and operating cash flows are highly dependent upon its ability to develop and maintain relationships with this group of clients, as well as the financial strength of these clients.

Engagement with suppliers

Sotheby's aims to maintain close relationships with key suppliers to ensure efficient and high-quality delivery of service. Communication with its suppliers is managed through internal relationship holders who are close to the relevant function. These relationship holders convey updates regarding company policy to suppliers as relevant and relay their insight and feedback to senior management.

York UK Holdco International Limited (continued)

Environmental considerations

In running the operations of the Company, the Directors are mindful of the environmental impact of the business and have supported the operational teams in continuing to review their practices.

Oatshare Limited

Section 172(1) statement for the year ended 31 December 2020

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- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
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The Company's key stakeholders include, for both the Company and its subsidiaries, employees, clients, suppliers, and the environment.

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Oatshare Limited (continued)**Environmental considerations**

In running the operations of the Company, the Directors are mindful of the environmental impact of the business and have supported the operational teams in continuing to review their practices. For example, in 2020 the decision was made that from 2022, there will be a site wide replacement of aged mechanical and electrical plant for our New Bond Street and Aeolian Hall buildings. Examples of such replacements are in heating, ventilation and air conditioning as well as the lighting around the buildings being upgraded to LED. The Company hope to make approximately 15% per annum of savings in gas and electricity for these sites by the end of 2024

Sotheby's

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Sotheby's (continued)

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