# FLAG ✸ GCX

## SUSTAINABILITY REPORT 2024

www.flagtel.com

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# CEO Reflections

**Connecting the World Responsibly — Beneath the Surface and Beyond.**

At FLAG, together with GCX Managed Services, our sustainability journey is driven by purpose and progress. As a combined force in global connectivity, with FLAG leading in subsea cable infrastructure and GCX specialising in managed services to enterprise customers, we stand at the intersection of technology and transformation, delivering secure, scalable and sustainable digital solutions across continents.

But with that reach comes responsibility.

We're proud of the steps we've taken so far: developing initiatives to reduce emissions across our marine operations, enhancing safety and wellbeing standards for our people, and strengthening governance across our global supply chain. GCX complements this by embedding sustainability principles into the way we deliver cloud, connectivity and security services to enterprise clients, helping them meet their own sustainability goals.

These efforts reflect our shared belief that long-term success is built on sustainable foundations.

Of course, this journey isn't without challenges. Operating in fragile marine ecosystems, navigating complex international regulations and integrating sustainability into every layer of our infrastructure and services require vigilance and innovation. But we welcome these challenges; they drive us to think bigger and act better.

Looking ahead, sustainability is not a checkbox for either FLAG or GCX — It is a core enabler of our business strategy. It informs how we design and deliver resilient infrastructure and enterprise services, how we build trust with partners and regulators, and how we stay ahead in a rapidly changing world.

Our aspiration is bold: to be the subsea cable and managed services industry's benchmark for sustainable connectivity. That means striving toward our emissions reduction targets, leading in ocean stewardship, fostering respectful and connected teams, and driving transparency from seabed to cloud, and to the enterprise edge.

At FLAG and GCX, we're not just laying cables and delivering services, we're laying the groundwork for a more connected and sustainable future.

Carl Grivner
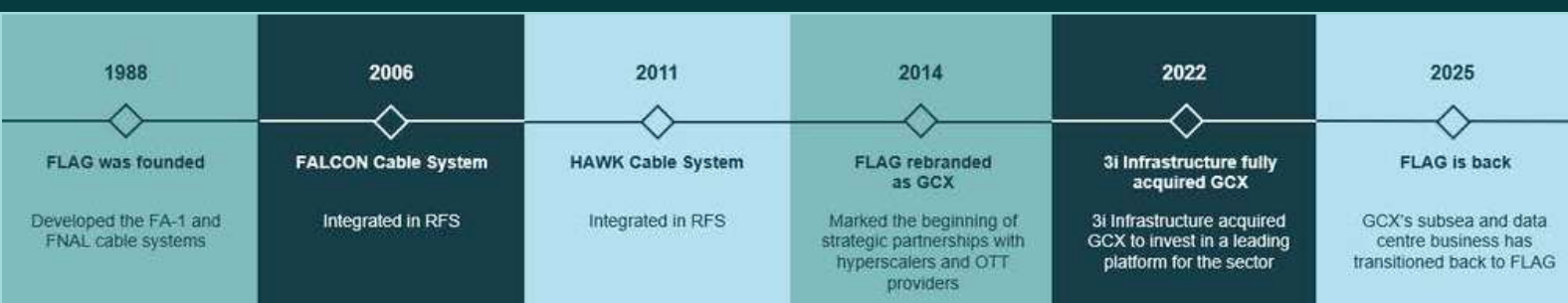CEO

# About Us

**FLAG** **GCX**

FLAG is one of the world's largest privately owned subsea cable networks, consisting of seven interconnected subsea cable systems and six terrestrial cables. Our infrastructure provides mission-critical digital connectivity for hyperscalers, telecom carriers, over-the-top content providers, new media providers and enterprises.

FLAG has full ownership and operational control over 67,000 km of major subsea cables, delivering robust connectivity across strategic global regions including the United States, Europe, the Middle East, India and Asia. FLAG holds deemed ownership of spectrum on multiple advanced systems, most recently IAX and IEX, adding over 15,000 km to our high-performance global infrastructure. FLAG also extends its reach through 100,000 km of leased terrestrial networks, seamlessly integrated with its subsea systems. This deemed exclusivity enables FLAG to deliver end-to-end connectivity globally.

Beyond infrastructure, GCX Managed Services looks after enterprise connectivity and IT solutions, delivering secure, scalable services tailored to the needs of global businesses. With over 30 years of expertise, GCX provides secure, global connectivity and IT services to customers in more than 100 countries. We support mid-sized and large enterprises through tailored, scalable solutions that prioritise simplicity, security and performance. Our portfolio spans cyber security, networking, professional services, unified communications and vertical-specific solutions—trusted by some of the world's most recognised brands.

Established in 1988, FLAG initially developed the FA-1 and FNAL cable systems. The FALCON and HAWK systems were later integrated into our network in 2006 and 2011, respectively. In 2014, FLAG rebranded as GCX, marking the beginning of strategic partnerships with hyperscalers and OTT providers. In 2021, GCX was fully acquired by the 3i Investment Group in the UK. Since then, we have expanded our offerings to include additional terrestrial pathways, data centre solutions and continued investments in subsea infrastructure.

As of April 2025, our subsea and data centre business has transitioned back to FLAG, and we will continue to focus on further investments in both subsea and data centre services.

| 1988 | 2006 | 2011 | 2014 | 2022 | 2025 |
|---|---|---|---|---|---|
| FLAG was founded | FALCON Cable System | HAWK Cable System | FLAG rebranded as GCX | 3i Infrastructure fully acquired GCX | FLAG is back |
| Developed the FA-1 and FNAL cable systems | Integrated in RFS | Integrated in RFS | Marked the beginning of strategic partnerships with hyperscalers and OTT providers | 3i Infrastructure acquired GCX to invest in a leading platform for the sector | GCX's subsea and data centre business has transitioned back to FLAG |

Our team of more than 350 professionals spans over ten countries including the UK, United States, India, Singapore, Japan, Hong Kong, Australia and the UAE. Across functions such as Sales, Product & Marketing, Engineering, GNOC, IT, Security, Legal, Finance, HR and Customer Experience, we are united in our mission to deliver world-class service and continuous innovation. With over 30 years of expertise, FLAG remains a trusted partner to businesses around the globe.

FLAG serves top-tier B2B customers in over 180 countries through its interconnected and neutral network, routing data in the EU-Middle East-Asia and Transpacific corridors. We provide necessary route diversity and redundancy for mission-critical global data flows. Our high-speed, scalable and secure infrastructure moves data faster and further powering the growth of the internet and AI through our partners and customers around the globe.

Wherever business happens, FLAG keeps you connected.



# Our Global Reach

We are refreshing our fibre links around the globe
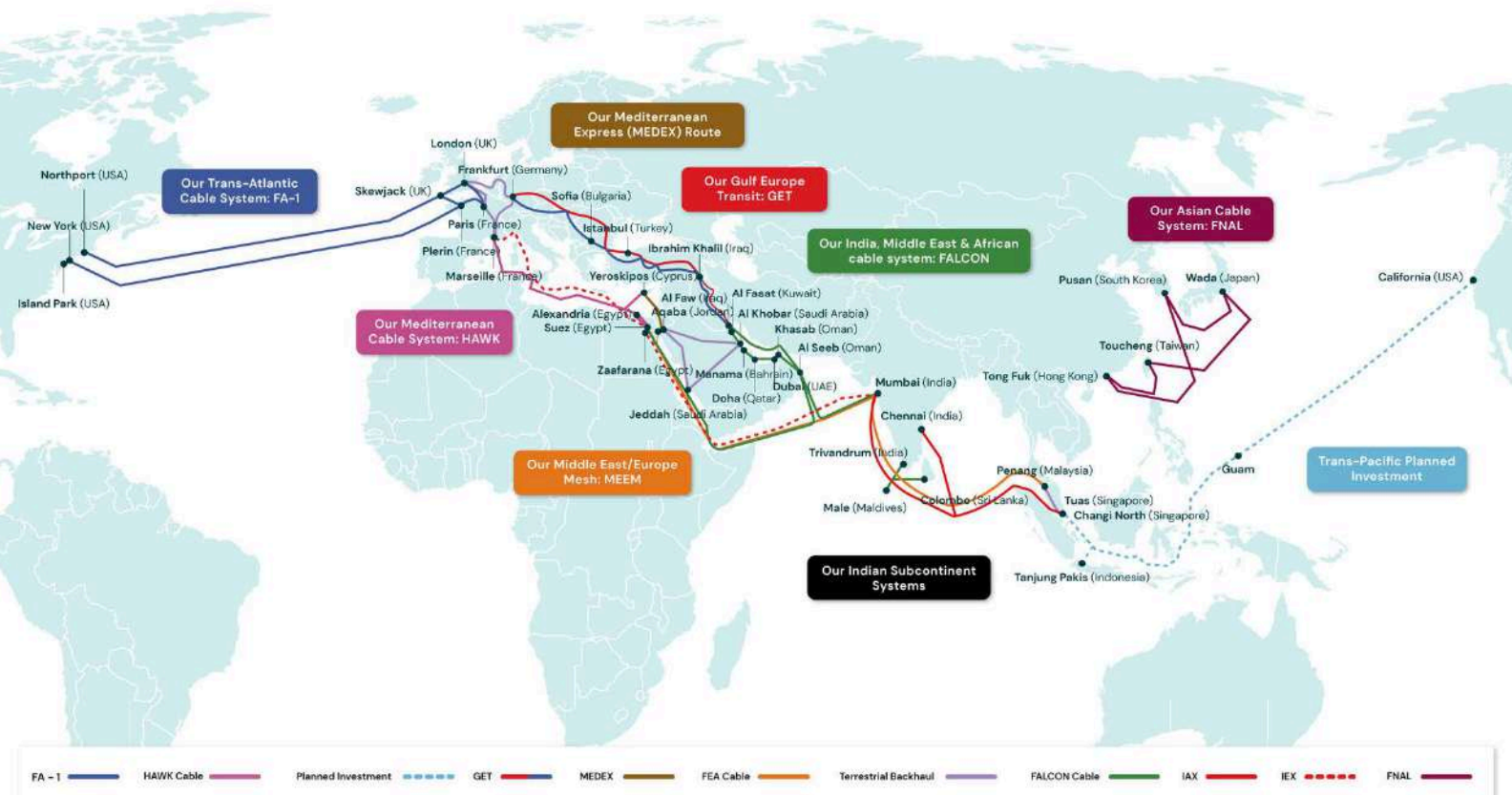
**Core Values**

Our core values are Customer Focus, People Focus, Ownership and Growth Mindset and they are the foundation of how we operate. They help drive our commitment to excellence, shaping our culture and guiding every decision we make. Our values are deeply aligned with our sustainability strategy and company vision, supporting sustainable growth, responsible innovation and long-term value creation for our customers, employees and communities.
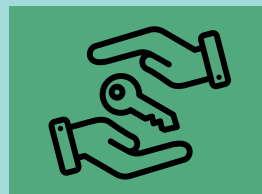
| Customer Focus | People Focus | Ownership | Growth Mindset |
|---|---|---|---|

# Sustainability Vision and Mission

Our sustainability vision is anchored in our commitment to sustainable growth — delivering positive outcomes for our customers, inspiring our employees, and enabling the communities we serve to thrive through the power of connectivity. We recognise that responsible business practices are fundamental to long-term success, and we are dedicated to embedding sustainability principles across every aspect of our organisation.

**Sustainability Mission Pillars**

◇ **Be an Employer of Choice**

We strive to foster a supportive and respectful workplace culture where everyone is valued. By fostering a positive environment that recognises excellence and encourages development, we empower our employees to achieve their full potential.

◇ **Be a Valued Partner**

We build long-term, collaborative relationships with our customers. By aligning with their sustainability aspirations, we work together to foster a more sustainable and resilient future.

◇ **Enable Communities to Flourish**

Through our connectivity services, we promote social and economic advancement in the communities where we operate and where our headquarters are based. We actively support initiatives that contribute to meaningful and lasting improvements.

◇ **Operate with Stewardship**

We align our operations with globally recognised sustainability principles. These guide our actions, strengthen our governance and ensure that we operate with integrity, accountability and a long-term perspective.

◇ **Protect our Planet**

FLAG is committed to operating in an environmentally responsible and sustainable manner. We take deliberate action to reduce our environmental impact and support the transition to a low-carbon future across our industry.

**Embedding Sustainability into our Strategy, Culture and Commitments**

Sustainability is not a standalone initiative—it is a fundamental part of who we are, how we operate and how we create value for our stakeholders. As a global data communications leader and steward of one of the world's largest private subsea fibre optic networks, FLAG, and its operating arm GCX, play a pivotal role in shaping a more connected and sustainable world.

We embed sustainability principles into our strategy, culture, governance frameworks and decision-making processes. Our commitment is reflected across our operations, from expanding digital access in underserved regions to decarbonising our activities and upholding the highest standards of corporate governance. Sustainability considerations are integrated into our strategic planning, enterprise risk management and innovation efforts, ensuring we deliver responsibly against our objectives.

Our leadership is accountable for driving progress, while we empower teams at all levels to act with purpose and contribute to a sustainable future. We align our actions with internationally recognised frameworks so that our practices evolve with stakeholder expectations and global sustainability goals. To ensure tangible progress, a dedicated steering committee, including our CEO, meets every two weeks, and a sustainability leader oversees the entire program. This integrated approach not only helps us respond to emerging challenges and accelerate the digital transformation of global enterprises, but also creates enduring value for our people, customers, investors, and communities.
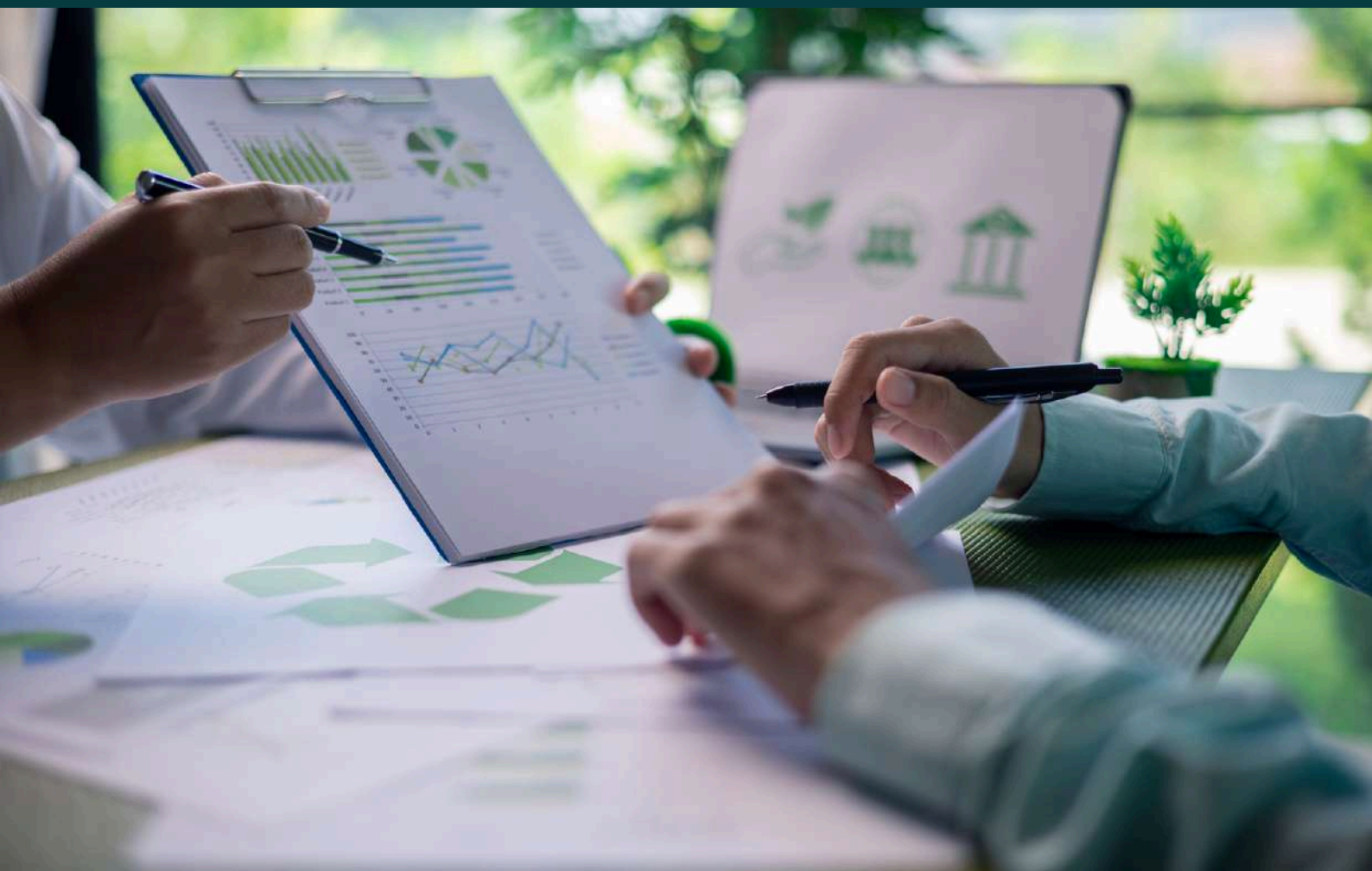
# Double Materiality Assessment Overview

As part of our commitment to responsible business practices and transparent reporting, we conducted a comprehensive Double Materiality Assessment with a third party to identify the sustainability issues most relevant to our stakeholders and operations. This dual-lens approach recognises that these issues can impact both our business and the wider society and environment. It provides a strong foundation for aligning our sustainability strategy with stakeholder expectations, regulatory guidance and long-term resilience.

**Our Methodology: A Data-Driven, Stakeholder-Centric Approach**

Our materiality assessment was designed to capture a holistic, evidence-based view of our sustainability priorities, including direct input from 23 senior leaders, feedback from over 280 employees via targeted sustainability surveys, and guidance from sustainability-focused investors at 3i.

We benchmarked against industry leaders like Cisco, Ciena and Equinix, and aligned with global standards such as the UN SDGs, ISSB, SASB and TCFD. This comprehensive process ensures we focus on the sustainability issues with the greatest potential for risk, opportunity and positive impact.

The following graphs show the proposed sustainability topics identified through our double materiality assessment, which were then prioritised. Each topic is supported by internal targets to drive progress and maintain accountability across our sustainability agenda.



**FLAG Consolidated Double Materiality Topics**

● Environmental  ◆ Social  ▲ Governance

Impact materiality (Impact of business) / Financial materiality (Impact to business)

1. Critical
2. Significant
3. Important
4. Informative

| Stage | Material Sustainability Topics Identified | |
|---|---|---|
| 1 | 1. Climate change mitigation: energy efficiency & intensity, renewable energy<br>2. Climate change risks: physical risk on company assets and transitional risks<br>3. Resilient & reliable infrastructure | |
| 2 | 4. Cybersecurity<br>5. Data protection<br>6. Waste & hazardous waste management<br>7. Employee health & safety<br>8. Responsible supply chain management | 9. Human rights<br>10. Fairness and workplace culture<br>11. Fair wages & social benefits<br>12. Bribery, fraud & corruption |
| 3 | 13. Technological innovation<br>14. Cultivation of local workforces & local businesses<br>15. Net neutrality & open internet<br>16. Community engagement<br>17. Product lifecycle management | 18. Emergency management<br>19. Freedom of expression<br>20. Geopolitical risk<br>21. Data reporting and transparency<br>22. Fair competition |
| 4 | 23. Water use, efficiency, intensity & recycling<br>24. Biodiversity | |

# SDG Alignment with Sustainability Topics

## Commitment to the SDGs

At FLAG and GCX, our commitment to sustainability is rooted in our core business values and extends to supporting the United Nations Sustainable Development Goals (SDGs). We recognise that global challenges require collective action, and we strive to ensure that our operations, innovations, and community initiatives contribute meaningfully to sustainable progress. By aligning our priorities with the SDGs, we reinforce our dedication to building a more connected, resilient, and responsible future.

**The 17 Sustainable Development Goals**

## Sustainability Topics and Ambitions

Following our alignment with the SDGs, we conducted a comprehensive double materiality assessment to identify the sustainability issues most relevant to FLAG and our stakeholders. This process led to the identification of 13 priority sustainability topics, which we have structured under three key pillars:

1. Environmental
2. Social
3. Governance

For each of these topics, we have established clear ambitions that reflect our long-term commitment to responsible and sustainable growth, ensuring that we continue to create value for both society and the environment.

# Environmental Ambitions: Healthy Planet

We are committed to operating responsibly and driving climate action across our value chain. Our environmental ambitions are anchored in reducing emissions, enhancing energy efficiency, managing climate risks and promoting sustainable resource use.

### 1. Climate Change Mitigation (energy efficiency & renewable energy)
Monitor our carbon footprint and take active steps to reduce greenhouse gas emissions across our operations.



### 2. Climate Change Risk (physical & transition)
Assess and manage climate-related risks to ensure business continuity and resilience in the face of physical and regulatory climate impacts.



### 3. Waste & Hazardous Waste Materials
Reduce, manage and responsibly dispose of waste, with an emphasis on minimising hazardous materials and promoting circular economy practices.



### 4. Responsible Supply Chain Management
Collaborate with suppliers to uphold ethical standards, reduce environmental impacts and improve transparency across the supply chain.

# Social Ambitions: Thriving Communities

We are committed to advancing and improving human rights, maintaining a supportive and respectful workplaces and enabling community development through connectivity.

### 5. Employee Health & Safety
Maintain a safe and healthy workplace through proactive risk management, training and wellness programs.



### 6. Human Rights
Respect and promote human rights throughout our operations and supply chain in accordance with international standards.



### 7. Fairness & Connected Workplace
Foster a supportive and respectful culture that values all backgrounds, perspectives and experiences.



### 8. Fair Wages & Social Benefits
Ensure fair compensation and access to benefits that support the well-being and economic stability of our workforce.



### 9. Corporate Social Responsibility
Engage in community development initiatives, partnerships and volunteering efforts to contribute to local and global well-being.

# Governance Ambitions: Robust Company

Strong governance is the backbone of sustainable business. We are committed to operate with integrity, data protection and a commitment to ethical excellence in all our business practices.

### 10. Resilient & Reliable Infrastructure
Invest in infrastructure that supports long-term sustainability, operational excellence and service continuity.



### 11. Cybersecurity
Protect our systems and data against cyber threats, ensuring the integrity and trustworthiness of our operations.



### 12. Data Protection
Safeguard personal and business information through robust data governance and compliance practices.



### 13. Bribery, Fraud & Corruption
Uphold the highest standards of ethics and integrity by preventing corruption and ensuring transparency across all business practices.

# Environmental: Healthy Planet

## Climate Strategy

At FLAG, including GCX Managed Services, our climate strategy is a core pillar of our broader sustainability commitments. We recognise the responsibility and opportunity we hold as a global digital infrastructure provider to drive positive environmental change across our operations, infrastructure and supply chain.

Our strategy is focused on building long-term climate resilience and enabling a sustainable digital future. We are advancing initiatives that prioritise responsible energy consumption, emissions reduction, sustainable procurement and collaborative supplier engagement.

Through these efforts, we aim to create lasting value for our customers, partners and the communities we serve, while contributing to global progress towards a low-carbon economy.

## Emissions Data 2023 and 2024

| Emissions (tCO$_2$e) | 2023 | 2024 |
|---|---|---|
| **Scope 1** Direct emissions from owned/controlled sources | 63 | 46 |
| **Scope 2 (Market-based)** Indirect emissions from purchased electricity | 899 | 865 |
| **Scope 3*** Indirect value chain emissions | 19,061 | 17,276 |
| 3.1 Purchased goods and services | 6,372 | 6,582 |
| 3.2 Capital goods | 3,148 | 2,153 |
| 3.3 Fuel and energy related activities | 184 | 169 |
| 3.4 Upstream transportation and distribution | 51 | 65 |
| 3.5 Waste generated in operations | 2 | 2 |
| 3.6 Business travel | 225 | 234 |
| 3.7 Employee commuting | 216 | 170 |
| 3.8 Upstream leased assets | 8,241 | 7,119 |
| 3.11 Use of sold products | 622 | 780 |
| **Total** | 20,023 | 18,186 |

*The table shows applicable Scope 3 categories for FLAG and GCX

As shown in the table above, over 90% of our Scope 3 emissions are attributed to three categories:

**1. Upstream leased assets:**
Our upstream leased assets emissions reflect the electricity used at co-located data centres. These are estimated using direct energy data where available, or a spend-based method when direct data is not accessible. We apply grid emission factors in both our location- and market-based calculations, as renewable tariffs are excluded.

**2. Capital goods:**

Our capital goods emissions primarily cover the embodied carbon of our network equipment, data centre fit-outs, and IT hardware.

**3. Purchased goods and services:**

Our purchased goods and services emissions arise largely from spend on third-party telecom services that help us expand our on-net footprint for specific customers or shared infrastructure, as well as marine maintenance of our subsea network.

We leverage a third party platform, which is fully aligned with the GHG Protocol and supports Scope 1, 2, and 3 reporting using standardised methodologies and emissions factors. This platform enables us to streamline reporting, enhance audit readiness, and make data-driven decisions through robust analytics that help us manage and reduce our carbon footprint while measuring the effectiveness of our climate initiatives.

## Emissions Reduction Approach

At FLAG, we recognise the urgent need to reduce greenhouse gas emissions across our operations and value chain. We have set internal emissions reduction targets and are actively preparing for future public commitments aligned with international standards, such as the Science Based Targets initiative (SBTi).

Our current efforts focus on:

- Enhancing our capability to track, manage and reduce emissions across Scope 1, 2 and 3
- Evaluating opportunities to increase the use of renewable energy across both owned and leased assets
- Identifying emissions hotspots within our operations and supply chain through detailed data analysis
- Considering engagement with our suppliers to to explore low-carbon solutions and encourage science-based climate action
- Piloting efficiency measures in our facilities, such as optimising energy use and exploring renewable energy sourcing
- Exploring circular economy practices, including extending equipment lifecycles and enhancing e-waste management

These actions demonstrate our commitment to continuous improvement and building a more sustainable, climate-resilient business.

## Supplier Engagement Approach

We are considering our engagement with our suppliers on sustainability topics more directly, and this will become a greater focus as we mature our approach.

Our current efforts include:

- Supplier Code of Conduct: We are currently in the process of implementing a Supplier Code of Conduct that clearly outlines our expectations regarding environmental impact, labour practices and ethical behaviour.
- Supplier Sustainability Survey: We plan to develop a supplier sustainability survey to better understand the practices of our key suppliers and identify potential risks or opportunities for improvement within our supply chain. Our goal is to maintain open communication with our partners and encourage discussions around shared sustainability goals and best practices.
- Continuous Improvement: Where gaps are identified, our intent is to work collaboratively with suppliers on realistic action plans.

## Climate Risk Assessments

As part of our proactive climate strategy, FLAG conducts annual climate risk assessments to identify, evaluate and manage the potential impacts of climate-related risks on our operations, infrastructure and supply chain. We evaluate both physical risks (e.g. extreme weather, rising temperatures and sea level rise) and transition risks (e.g. regulatory changes, market shifts and evolving stakeholder expectations) that could affect our business resilience and long-term value.

Findings from these assessments inform our infrastructure investments, supplier engagement strategy, energy sourcing decisions and business continuity planning. This integrated approach ensures that FLAG is both mitigating climate risks and seizing opportunities in the transition to a low-carbon economy.
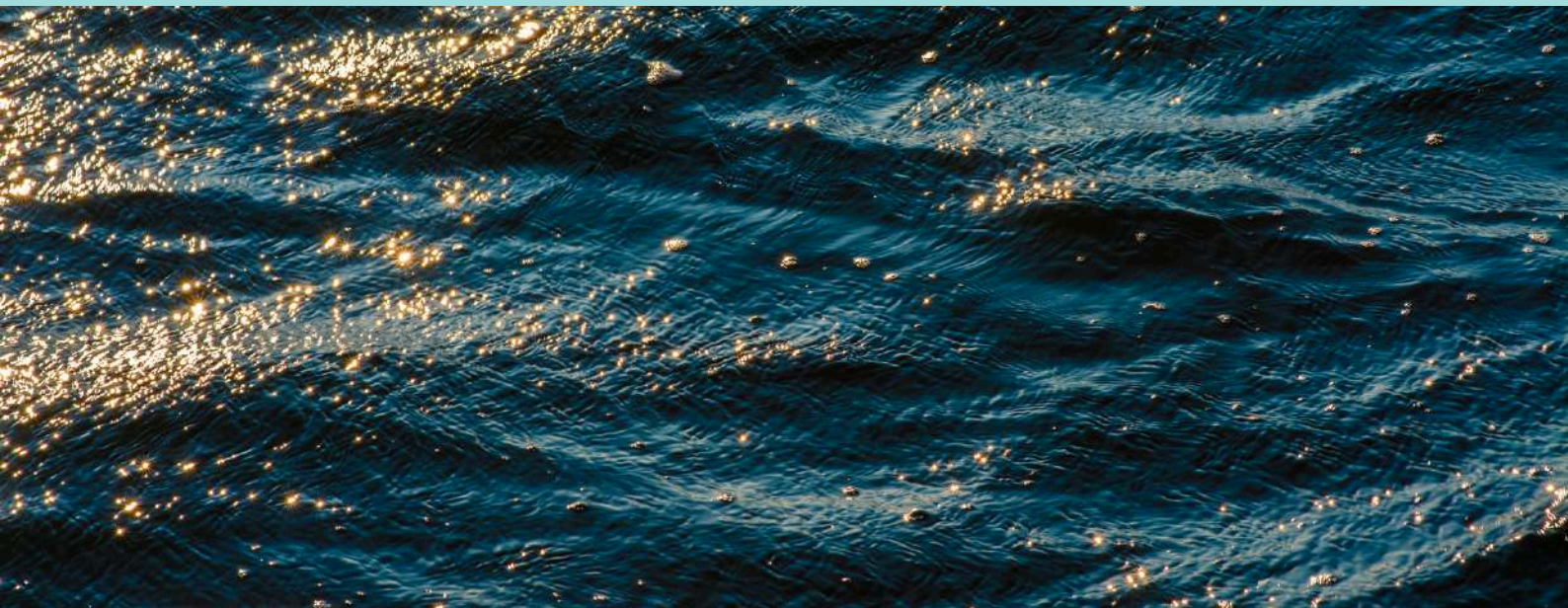
# Social: Thriving Communities

## Employee Health & Safety

The Company aims to provide a healthy, safe and suitable working environment for all its personnel, which includes employees, officers, directors, consultants, contractors, interns, temporary personnel, agency workers and anyone visiting the premises or affected by business activities. This commitment involves eliminating hazards, reducing health and safety risks and raising awareness.

**Health and Safety Standards:** The company adheres to the Health and Safety at Work etc. Act 1974 (UK) and complies with all relevant local legislation, using UK standards as the global benchmark unless stricter jurisdictional requirements apply. Continuous improvement of health and safety policies, procedures and practices is a core priority.

The company's Health and Safety Policy sets out its approach to managing risks, preventing accidents and illness, consulting employees, maintaining a safe workplace, providing training and supervision, and upholding global standards to ensure safety and responsible third-party engagement.

**Monitoring and Reporting:** The Chief Executive Officer (CEO) holds overall responsibility for workplace health, safety and welfare supported by the Security Officer (Principal Health and Safety Officer). The Principal Health and Safety Officer manages day-to-day health and safety matters and delegates implementation to Regional Health and Safety Officers.

The Health and Safety Team investigates all injuries and work-related illnesses, maintains accurate accident records, and submits reports as required under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR") or equivalent local law.  A reporting template is available on the company intranet for employees to report any health and safety concerns, near misses or incidents. All incidents are tracked monthly and reported to the Board for oversight.

**Health and Safety Metrics:** The company has consistently reported zero work-related health and safety incidents over the past few years. As a result, the Lost Time Injury Frequency Rate (LTIFR) remains at zero.

**Employee Health and Wellness Programs:** The company regularly organises health and wellness awareness sessions and health talks, hosted by recognised industry experts. Additionally, the company has implemented a 'Cycle to Work' scheme at one of its major locations, encouraging employees to participate and invest in maintaining their health.

**Safety Education and Training:** All personnel are required to undergo mandatory training on 'Environment Health and Safety' at regular intervals, with 100% of employees completing it each year.

# Human Rights

FLAG and GCX are committed to upholding human rights in line with international frameworks such as the UN Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, while ensuring compliance with all relevant laws. In November 2024, the company formalised this commitment by publishing its Organisational Human Rights Policy. Executive-led initiatives include mandatory annual human rights training, with 100% of employees completing it each year, a confidential "Speak Up" grievance line, and rigorous due diligence of partners and suppliers.

FLAG and GCX strive to create an ethical, connected workplace by promoting fair employment practices, a harassment-free environment, and prioritising mental wellbeing as part of workplace safety.

**Anti-Harassment/Bullying and No Retaliation:** The company maintains a workplace free from harassment, bullying, discrimination and retaliation. Employees are encouraged to report concerns through established channels, and all forms of such behaviour are not tolerated.

**Fair Opportunities in Employment:** The company is committed to fair opportunities and promotes a connected and respectful workplace culture. Unlawful discrimination based on protected characteristics is prohibited across all employment practices.

**Modern Slavery Statement:** The company has a zero-tolerance approach to modern slavery and human trafficking. The company publishes an annual UK statement outlining steps taken to prevent such practices and is committed to ethical business conduct.

**Supply Chain and Supplier Due Diligence:** The company works with suppliers who support responsible sourcing efforts. The company conducts due diligence on prospective suppliers to ensure compliance with ethical standards.

**Freedom of Expression & Association:** The company respects employees' rights to freedom of association, collective bargaining and fair working conditions.

**Forced Labour and Child Labour:** All forms of forced labour and child labour are strictly opposed. The company is committed to protecting children from work that is harmful or interferes with their education and development.

**Health and Safety:** The company ensures a safe and healthy working environment for all, complying with relevant legislation and promoting employee wellbeing.

**Fair Living Wages and Working Time:** The company promotes fair labour practices providing legally mandated benefits and managing working hours appropriately.

# Fairness & Workplace Culture

FLAG and GCX are committed to fostering a culture that values fairness and connected culture. Our Fairness & Workplace Culture policy ensures fair treatment for employees and applicants regardless of Protected Characteristics, including age, disability, gender identity, race, religion, sexual orientation and more.

We actively work to prevent unlawful discrimination and promote fairness in employment and customer service. We aim to maintain a workplace free from bullying, harassment and victimisation, covering recruitment, pay, training, appraisals, promotions and termination, with the aim of having a workforce that represents all sections of society and customers, ensuring each employee feels respected and able to give their best.



**Regional Distribution**

European 21%
Asian
Middle Eastern 1%
North American 4%
Indian Subcontinent 62%
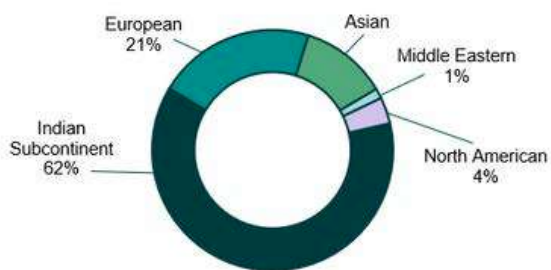
**Workforce Distribution by Location:** The company hosts employees from 21 different nationalities including countries from all regions – Europe, Middle East, North America, Asia and the Indian Subcontinent.



**Generational Metrics**

Baby Boomers 7.1%
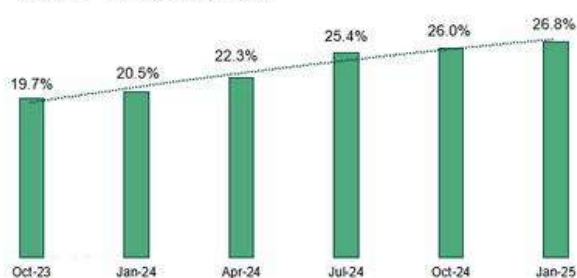Millenials 43.2%
Gen X 42.9%
Gen Z 6.8%
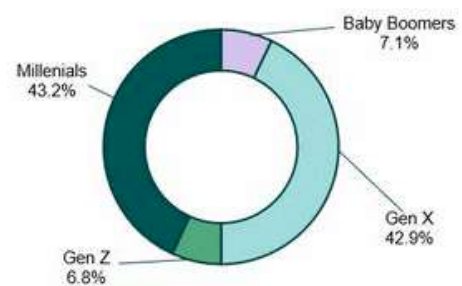
**Generational Representation:** The company has employees across multiple generations.

All employees complete mandatory online training on the topics of Fairness and Workplace Culture, with 100% of employees completing it each year. These principles are reinforced through internal policies, and staff are encouraged to report concerns via the Whistleblower portal or their reporting line. Workplace initiatives promote respectful communication, teamwork and participation. Employees are encouraged to disclose health conditions or disabilities so reasonable adjustments can be made. Part-time and fixed-term staff receive terms equivalent to full-time employees unless legally exempted.

FLAG and GCX's key initiatives include recruitment programmes for lateral and campus hires that prioritises talent, fair compensation practices, policies such as flexible working and balanced opportunities, and the creation of sustainability initiatives in all regions where we operate. Fairness metrics are actively monitored and are reported to management to ensure accountability.



**Gender - Female Proportion**

| Oct-23 | Jan-24 | Apr-24 | Jul-24 | Oct-24 | Jan-25 |
|--------|--------|--------|--------|--------|--------|
| 19.7% | 20.5% | 22.3% | 25.4% | 26.0% | 26.8% |

**Gender Metrics:** The company successfully improved its gender metrics from 19.7% in Oct 2023 to 26.8% in Jan 2025.

# Fair Wages & Social Benefits

FLAG and GCX are committed to fair labour practices, ensuring all employees receive a living wage and are compensated adequately to support a decent standard of living. The company adheres fully to all wage-related laws and regulations, including those governing minimum wages, overtime, fair pay, payment schedules, and legally mandated benefits, with any deductions made strictly in accordance with legal requirements. Its compensation philosophy, as outlined in the internal HR policy, is grounded in transparent governance, regulatory compliance, ethical business conduct, ongoing monitoring of market trends, and a strong focus on attracting, motivating, and retaining talent—particularly in mission-critical roles.

**Wage Metrics:** The company promotes fair pay by regularly monitoring key metrics, including gender wage reviews and pay audits, while ensuring full compliance with living wage standards and maintaining pay above minimum wage in all jurisdictions.

**Social benefits:** The social benefits package includes comprehensive health and wellness programmes, retirement and pension plans, and mandatory pension contributions such as Provident Fund, Gratuity and Superannuation to support long-term security. All employees receive basic health insurance, with additional benefits like Life, Income Protection and Dental cover provided based on statutory and market practices, tailored to local requirements.

**Compensation Review:** Compensation increments and revisions are typically conducted annually and are contingent on positive company financial results and growth. Increments are based on merit, role changes and market adjustments. The company considers market equity and parity to be key determinants of pay.

**Market Benchmarking:** The Company undertakes benchmarking exercises for all the roles that it hires for. Additionally, for large regions like India, salary benchmarking is conducted annually to align employee compensation to market trends. Compensation offers for new hires at the company, as well as pay ranges for each role, are set based on the job role, competency requirements and local market benchmarks.

# Employee Satisfaction Survey

In February 2024, following a four-year gap, the organisation conducted a baseline Employee Satisfaction Survey utilising Gallup's Q12 methodology—a globally recognised framework for measuring employee engagement. Gallup's benchmarking data, drawn from 3.4 million employees across 90 countries and 53 industries, provided a robust comparative foundation for assessing our results.

Beyond the core Q12 questions, the survey also explored key themes such as Fairness and Workplace Culture, Ethics, Leadership, and Company Values. The survey was conducted confidentially and administered online by Gallup, with results reported only for employee groups of five or more to ensure anonymity and data integrity.

The 2024 survey achieved an outstanding response rate of 94%, demonstrating strong employee engagement and willingness to contribute to a better workplace. Based on the survey insights, targeted action plans were developed and implemented at the organisational, functional, and managerial levels to address key areas of improvement and reinforce strengths.

# Corporate Social Responsibility: Making a Lasting Impact in Our Communities

At FLAG and GCX, Corporate Social Responsibility (CSR) is a cornerstone of our commitment to being a force for good—not just in business, but in society. We believe that by actively contributing to the communities in which we live and work, we help create a more sustainable, connected, and resilient world for all.

Since 2023, our CSR initiatives have focused on health, education, the environment, youth empowerment, and social welfare. Across the United Kingdom, India, Australia, and Italy, our teams have volunteered their time, donated resources, and partnered with impactful organisations to help drive meaningful change.

These initiatives are employee-driven and values-led, founded on compassion, responsibility, and a shared belief that small actions, when multiplied, can lead to profound change. To support and coordinate these efforts, we have dedicated CSR committees in both the UK and India, ensuring our activities remain focused, responsive, and aligned with local community needs.

## 🇬🇧 United Kingdom: Volunteering, Youth Empowerment, and Support for the Vulnerable

- Cancer Research UK Race for Life (July 2023): Our team participated in Hyde Park's Race for Life to support life-saving cancer research
- Hounslow Community FoodBox (Sept 2023): We supported this local food bank by helping provide emergency supplies to families in need
- KidsOut Giving Tree (Dec 2023): Replacing Secret Santa, employees donated gifts to children in need at Christmas
- Canal & River Trust Plastics Challenge (July 2024): Employees helped reduce plastic pollution along local waterways
- Streets of London Night Walk (July 2024): Volunteers raised funds to combat homelessness in the capital
- Spark UK Employability Workshop (Nov 2024): Five employees mentored 30 students at Elthorne Park High School on job-readiness
- Solving Kids' Cancer UK (Dec 2024): Participation in a charity concert helped raise awareness and support for childhood cancer

## 🇮🇳 India: Healthcare, Environmental Action and Education Support

- Children of the World India Trust (Dec 2024): GCX donated supplies, medicine and one year of caregiver salaries to an orphanage in Navi Mumbai.
- Blood Donation Camp (July 2024): In partnership with Bharat Vikas Parishad, 50 employees donated blood to support children with thalassemia.
- Tree Plantation Drive (Oct 2024): Employees and senior leadership planted trees and donated stationery kits to 100 children in need.

## 🇦🇺 Australia: Supporting Maritime Safety and Charity

- Rotary SOLAS Charity Regatta (2024): Participation in Sydney's 30th annual regatta helped raise funds for maritime safety and rescue services.

## 🇮🇹 Italy: Advocacy for Rare Diseases

- Parent Project Italy (Dec 2023): Support extended to families affected by Duchenne and Becker muscular dystrophy through the Duchenne Parent Project.

# Governance: Robust Company

## Business Continuity and Infrastructure Resilience

To safeguard uninterrupted operations and long-term viability, we implemented a holistic strategy encompassing system reliability, robust disaster recovery and sustainable infrastructure enhancements for both submarine cable systems and data centres. Our strategy for maintaining continuous operations for submarine networks, cable landing stations and data centres integrates robust engineering, strategic planning and environmental responsibility across three core areas:

## Submarine Networks

### 1. System Reliability
- Redundant & Resilient Infrastructure: We deploy multiple, geographically diverse submarine cable routes and redundant network paths to eliminate single points of failure. We plan network diversity based on critical requirements from our customers and ensure restoration capabilities across our network.
- High-Availability Systems: Our infrastructure is designed to ensure uptime, with failover capabilities, load balancing and fault-tolerant architectures.

### 2. Disaster Recovery Planning
- Geo-Diverse Backup Systems: We maintain fully synchronised data backups across multiple resilient sites to ensure data integrity and fast recovery in the event of outages.
- Cable Resilience Strategies: Submarine cable systems are reinforced with route diversity, dual landing stations and quick-deploy repair strategies to minimise downtime from physical or environmental threats.
- Rapid Response Protocols: Established repair and restoration agreements with marine maintenance providers ensure swift mobilisation for cable damage or failure.

### 3. Sustainable Considerations in Infrastructure Design and Upgrades
- Eco-Conscious Cable Deployment: Submarine cable projects are designed with environmental stewardship in mind, including minimal seabed disturbance and sustainable manufacturing and recycling practices.

# Cable Landing Stations (CLS) and Data Centres

## 1. System Reliability
- Redundant Power and Network Systems: Our CLS's and data centres are built with N+1 or 2N redundancy for power, cooling, and connectivity to prevent service disruptions. These facilities are equipped with backup generators, dual power feeds & redundant network interfaces to prevent single points of failure.
- High-Availability Architectures: Core systems leverage clustering, load balancing and failover mechanisms to ensure uninterrupted performance under any condition. Facilities are constructed to withstand natural disasters, including flooding, seismic activity and extreme weather, ensuring physical protection of assets.
- Continuous Monitoring: Real-time monitoring and alerting systems detect anomalies early and enable proactive maintenance, minimising unplanned downtime. Continuous system health monitoring, combined with predictive maintenance tools, enables early issue detection and minimises service interruptions.

## 2. Disaster Recovery Planning
- Crisis Response Frameworks: Clear escalation paths, communication protocols and automated response workflows ensure swift action during emergencies.

## 3. Sustainable Considerations in Infrastructure Design and Upgrades
- Energy Efficiency Initiatives: Adopting advanced cooling systems (e.g. liquid cooling, free-air cooling), optimised rack layouts and efficient power usage practices (PUE optimisation). Implementation of low-power, high-efficiency cooling and lighting systems to reduce energy consumption without compromising performance.
- Use of Renewable Energy: Transitioning to renewable energy sources such as solar, wind and hydro power to reduce carbon footprint and support environmental goals. Where possible, landing stations & data centres is powered by renewable energy sources to align with sustainability goals and reduce environmental impact.
- Green Building Standards: Data centres designed or retrofitted to meet LEED or similar sustainability certifications, promoting responsible construction and operation.
- Energy-Efficient Systems, Renewable Energy Adoption & Eco-Friendly Design Standards: New builds and upgrades follow green construction practices, minimising environmental disruption and supporting long-term sustainability.

# Cybersecurity

FLAG's cybersecurity approach is a comprehensive cybersecurity strategy that emphasises proactive risk management, advanced technology, and ongoing user awareness. Central to this is the Security Centre of Excellence, governed by a structured operating model and overseen by internal governance and a Technical Review Board.

FLAG's cybersecurity approach encompasses regular risk assessment and management, multilayer security across physical, network, endpoint, application, data, and identity/access layers, proactive 24/7 monitoring and threat detection, established incident response and recovery plans, continuous security awareness training, strict compliance with ISO 27001, GDPR and CIS standards, and ongoing improvement through penetration testing and patch management.

This integrated approach enables FLAG to maintain a resilient and secure cyber environment, fully aligned with best practices and regulatory requirements. Our strong cybersecurity posture is demonstrated by a consistent record of zero material data breach incidents resulting from cyber-attacks each year. In addition, FLAG achieves 100% annual completion of cybersecurity awareness training for all employees.

# Data Protection

FLAG recognises data privacy as a fundamental aspect of responsible and sustainable business. As data underpins its operations and decision-making, safeguarding it is essential. To ensure compliance with data privacy regulations, including the UK GDPR, FLAG has implemented a comprehensive Data Privacy Policy that governs the handling of personal data across customers, suppliers, employees, workers, and third parties.

All personnel are required to review and acknowledge this policy annually. Its enforcement is supported through mandatory, interactive training on Information Security and Data Privacy, alongside the use of robust, regularly tested, and independently audited information security systems across the organisation. This commitment is reflected in FLAG's record of zero breaches of data privacy laws and regulations.

# Bribery, Fraud & Corruption

FLAG recognises data privacy as a core element of responsible and sustainable business. As data drives its operations and decision-making, protecting it is essential. To ensure compliance with data privacy laws, including the UK GDPR, FLAG has implemented a strict Data Privacy policy covering the handling of data for customers, suppliers, employees, workers and third parties.

All personnel are required to annually acknowledge and adhere to this policy. Its implementation is supported through mandatory interactive training on Information Security and Data Privacy, as well as the use of robust, regularly tested and audited information security systems across the organisation.

FLAG also maintains a strong ethical culture, with 100% of employees completing annual training on anti-corruption policies and procedures. This commitment to integrity is reflected in the company's record of zero legal actions related to corruption, fraud, or bribery.

# Looking Ahead

As we move forward, we are more committed than ever to integrating sustainability into every aspect of our operations. We recognise that the journey towards a sustainable future requires continuous innovation, collaboration and accountability.

We will continue to assess, refine, and strengthen our sustainability strategies to ensure that we meet the evolving expectations of our stakeholders. Through enhanced transparency, progressive climate actions, and ongoing engagement with our employees, partners, and communities, we are working to build a resilient future for both our business and the wider world.

We remain dedicated to driving positive change, by delivering impactful outcomes for the planet, advancing social responsibility and fostering a strong, ethical governance framework.

Together, at FLAG and GCX, we will rise to the challenges and seize the opportunities ahead, contributing to a more sustainable and prosperous future for all.