



Independent Limited Assurance Report of KPMG LLP to VMED O2 UK Limited

KPMG LLP (“KPMG” or “we”) were engaged by **VMED O2 UK Limited** (“VMED O2”) to provide limited assurance over the Selected Information described below for the year ended 31 December 2022.

Our conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of the remainder of this report, in particular the inherent limitations explained below and this report’s intended use.

Selected Information

The scope of our work includes only the information included within Virgin Media O2’s Better Connections Plan 2022 progress update and the Sustainability Performance Update 2022 (“the Reports”) for the year ended 31 December 2022 marked with the symbol [§] (“the Selected Information”) and also listed in Appendix 1.

We have not performed any work, and do not express any conclusion, over any other information that may be included in the Reports or displayed on VMED O2’s website for the current year or for previous periods unless otherwise indicated.

Reporting Criteria

The Reporting Criteria we used to form our judgements are the Virgin Media O2 Reporting Criteria 2022 as set out at [Virgin-Media-O2-Reporting-Criteria-2022.pdf \(virginmediao2.co.uk\)](https://www.virginmediao2.co.uk/virgin-media-o2-reporting-criteria-2022.pdf) (“the Reporting Criteria”). The Selected Information needs to be read together with the Reporting Criteria.

Inherent limitations

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time.

The Reporting Criteria has been developed to assist VMED O2 in producing the Reports. As a result, the Selected Information may not be suitable for another purpose.

The Selected Information includes certain CO₂e emissions metrics calculated per fixed-line customer (fixed-line customers being the number of customers who receive at least one of VM’s broadband, video or telephony services). The Selected Information also includes certain percentage reductions in scope 1 and 2 CO₂e emissions and non-renewable energy purchased calculated with reference to 2020 baseline amounts. We have performed no procedures in relation to, and so our work does not provide any assurance over, the number of fixed-line customers and the 2020 baseline amounts that VMED O2 has used in calculating these metrics.

The Selected Information includes metrics linked to gender and ethnicity classification and the number of people supported through volunteering. In performing our work, we have relied on gender and ethnicity classification data in VMED O2’s Human Resources IT system that originates from employees self-assigning their gender and ethnicity during VMED O2 recruitment process, or when they have subsequently requested a change, and on volunteering data in VMED O2’s volunteer log that originates from employees recording completion of volunteering activities but we have not independently corroborated data within that IT system to source information nor whether employees may have completed other volunteering activities not included in the volunteer log.

Directors’ responsibilities

The Directors of VMED O2 are responsible for:

- designing, operating and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

Our responsibilities

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been properly prepared, in all material respects, in accordance with the Reporting Criteria and to



report to VMED O2 in the form of an independent limited assurance conclusion based on the work performed and the evidence obtained.

Assurance standards applied

We conducted our work in accordance with International Standard on Assurance Engagements (UK) 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* ("ISAE (UK) 3000") issued by the Financial Reporting Council and, in respect of the greenhouse gas emissions information included within the Selected Information, in accordance with International Standard on Assurance Engagements 3410 *Assurance Engagements on Greenhouse Gas Statements* ("ISAE 3410") issued by the International Auditing and Assurance Standards Board. Those standards require that we obtain sufficient, appropriate evidence on which to base our conclusion.

Independence, professional standards and quality management

We comply with the Institute of Chartered Accountants in England and Wales ("ICAEW") Code of Ethics, which includes independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants ("IESBA") Code of Ethics. The firm applies International Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed

A limited assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to obtain a meaningful level of assurance over the Selected Information as a basis for our limited assurance conclusion. Planning the engagement involves assessing whether the Reporting Criteria are suitable for the purposes of our limited assurance engagement. The procedures selected depend on our judgement, on our understanding of the Selected Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

The procedures performed included:

- conducting interviews with VMED O2's management to obtain an understanding of the key processes, systems and controls in place over the preparation of the Selected Information;
- performing selected limited substantive testing, including agreeing a selection of the Selected Information to corresponding source documentation (for example invoices, meter readings, travel expense reports, waste reports and HR records);
- considering the appropriateness of the carbon conversion factor calculations and other unit conversion factor calculations used by reference to widely recognised and established conversion factors;
- reperforming a selection of the carbon conversion factor calculations and other unit conversion factor calculations;
- assessing whether estimates made over environmental data have been made in line with the methods set out in the Reporting Criteria;
- reperforming the mathematical calculations of the Selected Information in accordance with the Reporting Criteria;
- performing analytical procedures over the aggregated Selected Information, including a comparison to the prior period's amounts having due regard to changes in business volume and the business portfolio; and
- reading the narrative within the Reports with regard to the Reporting Criteria, and for consistency with our findings.

The work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

This report's intended use

Our report has been prepared for VMED O2 solely in accordance with the terms of our engagement. We have consented to the publication of our report on VMED's website for the purpose of VMED O2 showing that it has obtained an independent assurance report in connection with the Selected Information.

Our report was designed to meet the agreed requirements of VMED O2 determined by VMED O2's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than VMED O2 for any purpose or in any context. Any party other than VMED O2 who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its



own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

KPMG LLP

KPMG LLP
Chartered Accountants
London
15 June 2023

The maintenance and integrity of VMED O2's website is the responsibility of the Directors of VMED O2; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information, Reporting Criteria or Reports presented on VMED O2's website since the date of our report.



Appendix 1- Selected Information

The Underlying Selected Information that constitutes the Selected Information are listed below. The information in this Appendix needs to be read together with the attached limited assurance report and the Reporting Criteria.

Selected Information	Unit of measure	Value
Direct Emissions - Scope 1 and 2 (location-based)	Metric tons of CO2e	243,042
Scope 1 and 2 emissions (market based) – VMUK only	Metric tons of CO2e	28,426
Tonnes of CO2e (scope 1 and 2 market based) per terabyte of data – VMUK only	Number	0.00075
Scope 1 and 2 emissions (market based) per fixed-line customer – VMUK only ⁽¹⁾	Number	0.0049
Total CPE sent for recycling	Number	494,766
Total CPE refurbished for reuse	Number	1,316,267
Percentage reduction in scope 1 and 2 against baseline (market based) ⁽²⁾	Percentage	29
Percentage reduction in scope 1 and 2 against baseline (location based) ⁽²⁾	Percentage	15
Total consumption from non-renewable supplies (MWh)	Megawatt hour (MWh)	110,383
Percentage reduction in non-renewable consumption ⁽²⁾	Percentage	-33
Scope 3 – Business Travel	Metric tons of CO2e	5,558
Total waste incinerated	Metric tonnes	767.4
Total waste sent to landfill	Metric tonnes	34.2
Percentage of operational waste sent to landfill	Percentage	0.7
Percentage of operational waste recycled	Percentage	84.1
Percentage of operational waste incinerated	Percentage	15.2
Scope 1 and 2 emissions (market based) per petabyte of data	Number	1.78
Scope 1 and 2 emissions (location based) per petabyte of data	Number	6.06
Total Circular Actions	Number	2,438,794
Volume of devices recycled	Number	300,530



Selected Information	Unit of measure	Value
Volume of devices and other electronic waste sent for recycling (WEEE)	Number	10,745
Volume of devices repaired	Number	10,333
Volume of refurbished devices sold	Number	48,888
No. of people digitally connected through National databank, community calling, Tech lending hubs and Essential broadband	Number	18,963
Total people supported through volunteering ⁽³⁾	Number	117,439
Percentage Female Representation on leadership team ⁽³⁾	Percentage	32.8
Percentage Gender parity - Female employees as of 31st December ⁽³⁾	Percentage	30.6
Percentage leadership from global majority communities ⁽³⁾	Percentage	12.5
Percentage global majority employees as of 31st December ⁽³⁾	Percentage	16.8
No. of organised training events available to the leadership team	Number	2

(1) We have performed no procedures in relation to, and so our work does not provide any assurance over, the denominators i.e., the number of fixed-line customers that VMED O2 has used in calculating these metrics.

(2) We have performed no procedures in relation to, and so our work does not provide any assurance over, relevant 2020 baseline amounts that VMED O2 has used in calculating these metrics.

(3) These metrics are based on gender and ethnicity classification data in VMED O2's Human Resources IT system that originates from employees self-assigning their gender and ethnicity during VMED O2 recruitment process, or when they have subsequently requested a change, and on volunteering data in VMED O2's volunteer log that originates from employees recording completion of volunteering activities; we have not independently corroborated data within that IT system to source information nor whether employees may have completed other volunteering activities not included in the volunteer log.