Virgin Media O2 Sustainability Performance Update 2023

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The information contained in this report relates to Virgin Media O2's performance against key sustainability data indicators and KPI's concerning our Better Connections Plan commitments, emissions, energy and green financing instruments.

The reporting period is the full calendar year 2023, unless stated otherwise. The criteria and methodology that supports our sustainability reporting are available on our **Virgin Media O2 News** website.

Our key commitments and data indicators

Our ESG strategy, the Better Connections Plan, is centred around three pillars – zero carbon future; a circular economy; and connected communities – underpinned by a better business commitment to ensure we operate in a sustainable and ethical way. Our strategy launched in 2022 and below is our performance against these commitments;

Pillar	Commitments and targets	2023 result	Cumulative progress towards target since 2022
Zero carbon future	Net zero operations, products and supply chain by 2040 By 2025; • Reduce Scope 1 & 2 operational GHG emissions by 60% • Reduce Scope 3 GHG emissions by 25%[i] All targets measured against 2020 baseline	Reduction in Scope 1 & 2 (market-based) since 2022 (%): 23	Reduction in Scope 1 & 2 (market-based) against baseline (%): 45*
	• Transition fleet to electric vehicles by 2030	• Percentage of electric vehicles out of total owned and leased vehicle fleet as of 31st December (%): 7*	• Percentage of electric vehicles in fleet - increase of 3%
	• Empower customers to prevent 20 million tonnes of CO_2 from entering the Earth's atmosphere and supporting large-scale decarbonisation by 2025	• 29.9 million tonnes of carbon avoided through our products and services	• 59.3 million tonnes of carbon avoided through our products and services

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Pillar	Commitments and targets	2023 result	Cumulative progress towards target since 2022
A circular economy	Achieve zero waste operations and products by 2025 • Recycle 95% of operational waste and make sure less than 5% goes to incineration. • Reuse or recycle 100% of all returned customer and network equipment	Total operational waste (metric tonnes): 5,622* Total recycled waste (metric tonnes): 4,503* Total operational waste incinerated (metric tonnes): 1,117* Total operational waste sent to landfill (metric tonnes): 2.2* Operational waste re-cycled (%): 80.1* Operational waste incinerated (%): 19.9* Operational waste sent to landfill (%): 0.04* 1,785,662 returned customer network equipment repaired and reused	Total operational waste (metric tonnes): increase of 569 Total recycled waste (metric tonnes): increase of 251 Total operational waste incinerated (metric tonnes): increase of 350 Total operational waste sent to landfill (metric tonnes): decrease of 32 Operational waste recycled (%) - decrease of 4 Operational waste incinerated (%) - increase of 4.7 Operational waste sent to landfill (%) - decrease of 0.6 Returned and reused customer network equipment repaired and re-used - decrease of 25,411
	Help consumers carry out 10 million circular actions to tackle e-waste by 2025	Total circular actions (number): 2,271,892*	4,710,686 circular actions
Connected communities	Equip 6 million people with skills and tools to help them feel more connected to our digital society by 2025	Total number of people equipped with digital skills through Internet Matters & Good Things Foundation (number): 1,811,252*	3,347,709 people equipped with digital skills
	Connect 1 million digitally excluded people across the UK by 2025	Number of people digitally connected through National Databank, Free Community Broadband, Community Calling, Tech Lending Hubs and Essential broadband (number): 106,467*	150,402 people connected

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Pillar	Commitments and targets	2023 result	Cumulative progress towards target since 2022
Connected communities	Support 1m people through our Take Five employee volunteering programme by 2025	Total number of people supported through volunteering (number): 108,811*	226,250 people supported
A better way to do business	Achieve gender parity across all employees and leadership by 2027	Gender parity - female employees as of 31st December (%): 30.0* Female representation on leadership team (Leadership level defined as L6+) (%): 32.6*	Female employees across organisation (%) - 0.6 decrease Female representation on the Leadership team (%) - 0.2 decrease
	Increase the representation of Global Majority[ii] employees to a minimum of 15% leadership and 25% across the business by 2027	Global Majority[ii] employees as of 31st December (%): 16.9* Leadership from Global Majority[ii] communities (Leadership level defined as L6+) (%): 14.4*	Global Majority employees across organisation (%) - 0.1 increase Global Majority employees in Leadership team (%) - 1.9 increase
	100% of our financing being sourced from sustainable finance instruments	Financing raised during the year which is ESG linked (%): 100*	Not applicable

Environmental data

Virgin Media O2 GHG emissions (tCO2e)

Please refer to the **Reporting Criteria** for boundary and methodology details.

Category	2023	2022	2021	2020	% change: vs 2020
Scope 1 GHG emissions (tCO2e)					
Stationary combustion of fuels	5,295	5,426	5,331	6,039	-13%
Mobile combustion of fuels	13,191	14,020	13,745	13,189	0%
Process emissions	0	0	0	0	N/A
Fugitive emissions	6,364	13,184	11,110	18,907	-66%

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Category	2023	2022	2021	2020	% change: vs 2020
Scope 2 GHG emissions (tCO2e)					
Electricity (location-based)	229,151	210,413	223,769	251,752	-9%
Electricity (market-based)	30,357	38,763	52,993	63,056	-52%
Scope 1 and 2 GHG emissions (market-based) (tCO2e)					
Scope 1 & 2 GHG emissions (market-based)	55,207*	71,393	83,179	101,191	-45%*
Scope 1 & 2 GHG emissions (market-based) per petabyte of data	1.23*	1.80			
Scope 1 and 2 GHG emissions (location-based) (tCO2e)					
Scope 1 & 2 GHG emissions (location-based)	254,001*	243,042	245,561	289,887	-12%*
Scope 1 & 2 GHG emissions (location-based) per petabyte of data	5.65*	6.06			
Scope 3 GHG emissions - (tCO2e)					
Total purchased goods & services (Cat 1)	1,171,363	1,290,268	1,280,500	1,468,729	-20%
Total capital goods (Cat 2)[i]	0	0	0	0	0%
Total fuel and energy related activities (Cat 3)	10,158	11,987	13,416	14,223	-29%
Total upstream transport & distribution (Cat 4)	12,840	12,333	13,366	14,970	-14%
Total waste generated in operations (Cat 5)	139	162	104	156	-11%
Total business travel (Cat 6)	7,503*	6,348	1,949	4,281	75%
Total business travel - Air travel (Cat 6)	2,469*	1,755	150	719	243%
Total business travel - Land travel (Cat 6)	5,034*	4,593	1,799	2,902	73%
Total employee commuting (Cat 7)	23,322	13,841	13,299	22,159	5%

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Category	2023	2022	2021	2020	% change: vs 2020
Scope 3 GHG emissions - (tCO2e) continued					
Total leased assets (Cat 8)	0	0	0	0	0%
Total downstream transport & distribution (Cat 9)	0	0	0	0	0%
Total processing of sold products (Cat 10)	0	0	0	0	0%
Total use of sold products (Cat 11)	264,304	329,078	266,141	220,418	20%
Total end-of-life treatment of sold products (Cat 12)	6,043	8,794	9,262	8,916	-32.2%
Total downstream leased assets (Cat 13)	0	0	0	0	0.0%
Total franchises (Cat 14)	1,030	1,489	1,565	1,655	-37.8%
Total investments (Cat 15)	0	0	0	0	0.0%
Total Scope 3 GHG emissions	1,496,701	1,674,300	1,599,602	1,755,507	-15%

Virgin Media O2 energy usage

Category	2023	2022	2021
Total energy consumption (MWh)	1,187,097*	1,171,285	1,137,058
Total electricity use (KWh)	1,106,617,423*	1,088,079,611	1,053,872,224
Renewable electricity consumption (MWh)	1,023,481*	977,697	878,267

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Sustainable finance data indicators

Sustainability-linked loan (term loan Y, Z and X1A - 2023 release) and Revolving Credit Facilities

KPI	2023	2022	2023 Result
Non-renewable electricity consumption (MWh)	83,137*	110,383	25%* reduction vs 2022 baseline
Scopes 1 and 2 GHG emissions (market-based, tCO2e)	55,207*	71,393	45%* reduction vs 2020 baseline

*This indicator is subject to external independent limited assurance by ERM Certification and Verification Services Limited ('ERM CVS'). For the results of the assurance, see ERM CVS' assurance report and Virgin Media O2 Reporting Criteria on our **Corporate statements** page.

Further Scope 3 categories will be added at a later date.

[i]Capital goods emissions are included in Purchased goods and services (Cat 1).

[ii]Global Majority is a collective term that speaks to and encourages those so-called to think of themselves as belonging to the global majority. It refers to people who are Black, Asian, Brown, dual-heritage, indigenous to the global south, and or have been previously identified as 'ethnic minorities'.

[iii]We have re-stated our 2022 figures to reflect changes in the methodology applied to the reporting parameters of source data and to ensure consistency with 2023.

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