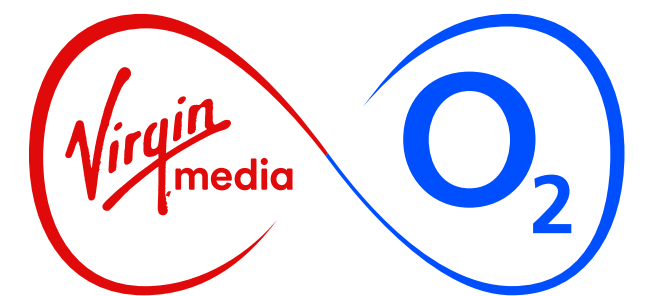


Virgin Media O2

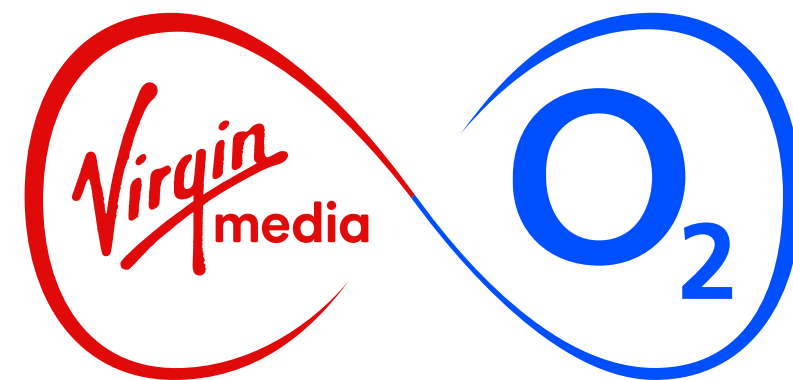
Pay Gap Report

March 2025



Foreword

In June 2021, Virgin Media and O2 joined forces to create one of the UK's largest businesses – Virgin Media O2. Now in 2025, we remain committed to our mission to inspire people to realise their potential, make meaningful connections, and ultimately get more from life – and this ambition remains just as relevant to our customers as it is for our employees.



At the heart of this commitment lies our People Plan, built on the four pillars of Belonging, Clarity, Development, and Recognition, which continue to shape how we support and empower our people. These principles are also central to our approach to Diversity, Equity & Inclusion (DE&I), ensuring that our initiatives drive meaningful change. Since our merger, we have remained focused on creating a culture where everyone can thrive, and in March 2022, we launched 'All In', our five-year DE&I strategy – setting out ambitious goals to improve representation across both gender and ethnicity by the end of 2027. This is our third combined pay gap report, reinforcing our commitment to transparency, accountability, and tangible improvements in our DE&I journey.

Looking back at the past year, we can see encouraging signs of progress, with further positive movement in our gender and ethnicity pay gaps – including effectively closing the gender pay gap altogether. While these incremental shifts reflect the impact of our ongoing efforts, they also highlight that there is more to be done and that this journey is far from over. Meaningful and lasting change takes time, and we remain determined to drive improvements year on year. This report provides a detailed view of our pay gap data and the actions we are taking to build an inclusive and equitable workplace because we believe that everyone should feel valued, respected, and empowered to thrive.



Philipp Wohland

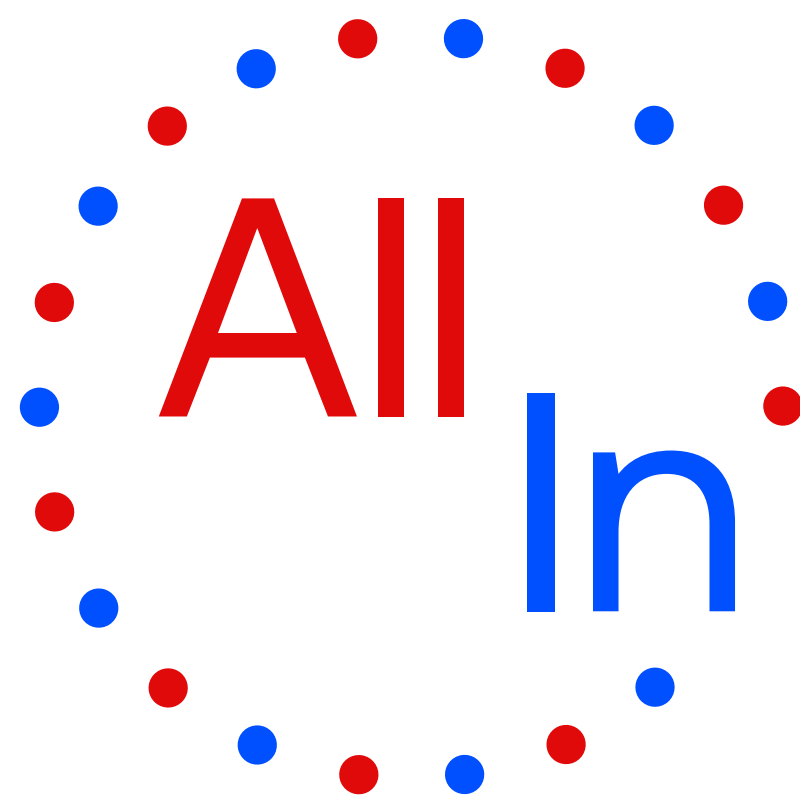
Chief People and Transformation Officer
Virgin Media O2

All In: Bringing our strategic commitments to life

Our five-year Diversity, Equity and Inclusion (DE&I) strategy, 'All In', publicly sets out our clear ambitions to move towards gender parity and increase employee representation from Global Majority groups by 2027.

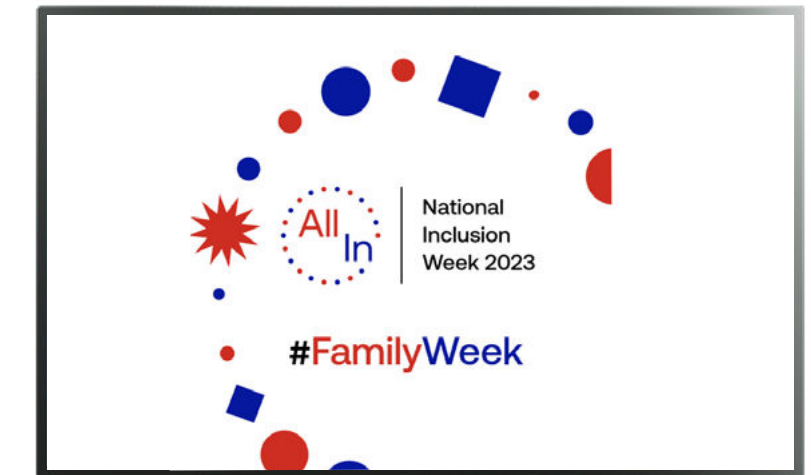
During 2024, we took important steps to better support our entire workforce, working to drive gender (including diverse expressions) and race equity across the organisation.

Diversity • Equity • Inclusion



Enhancing our leave policies

In September 2022, Virgin Media O2 introduced a suite of new 'Family Friendly' policies to support employees during important life events like welcoming a new family member or handling unexpected situations. The policies include maternity, paternity, and adoption leave, as well as paid neonatal and carer's leave.



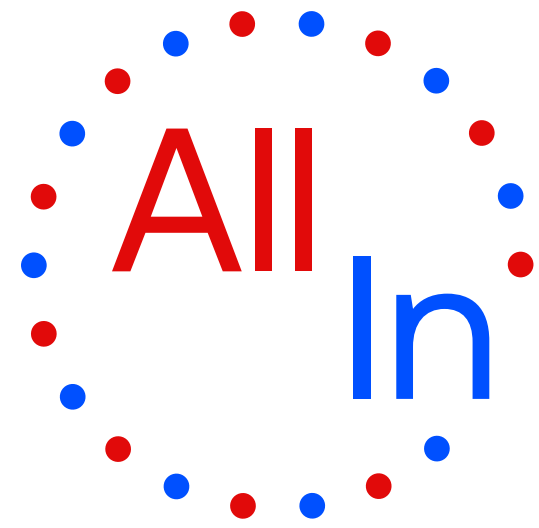
Celebrating diversity and encouraging allyship

To raise awareness and actively engage our employees in our DE&I efforts, we regularly host events together with our Employee Resource Groups (ERGs). In 2024, this included our first-ever industry collaboration with companies including Vodafone, Liberty Global, Tesco Mobile and giffgaff, where we welcomed Louis Smith MBE and an NHS mental health specialist to The O2 Blueroom for a candid conversation on mental health within the Black community.

The theme for National Inclusion Week 2024, 'Impact Matters', highlighted how each of our employees can make a difference through allyship. The week was launched and supported by our Chief Executive Officer, Lutz Schüller, who shared his personal thoughts on the importance of inclusion and how every voice should be welcomed. We also hosted a discussion with Olympic diver, Tom Daley, who spoke openly about his own experiences of allyship and offered advice on how we can all support one another to drive meaningful change.

'Ally Up' is our key inclusion initiative that gives all employees the opportunity to join workshops on topics such as anti-racism and neurodiversity. The workshops are facilitated by industry experts and focus on encouraging active allyship through awareness and education.





Increasing data disclosure



We continually encourage our employees to voluntarily share their diversity data on our HR system to help us understand how our workforce is made up. Over the past year, we've raised awareness with a dedicated communications campaign – the 'All Info' diversity data drive – which has significantly increased disclosure across key data categories such as disability, ethnicity, and sexuality. To further demonstrate our commitment to understanding the make-up of our workforce, every division has access to a localised dashboard that provides updates on their team's disclosure rates. As part of our move to a new HR system, we've also simplified the process, supported by practical video guides.

Supporting our All In ERGs

More than half of our 16,000+ employees are members of our six ERGs, which represent women, race and ethnicity, LGBTQIA+, disability, neurodiversity, and unpaid carers. These networks play a crucial role in shaping our culture while providing support for employees to connect with others. Actively sponsored and championed by our Executive Management Team, these communities are run by employees, for employees, aimed at celebrating key dates and increasing awareness of the challenges faced by traditionally marginalised groups. They are also consulted and engaged in key projects, strategies, product launches and communications, making sure we hear a range of views and perspectives from people with diverse backgrounds and experiences.



Listening to our people

We want Virgin Media O2 employees to feel psychologically safe and empowered to be their whole self at work, which is why 'Belonging' is a core pillar of our company-wide People Plan. We provide a range of feedback channels and opportunities for employees to share their views, concerns, and DE&I suggestions. To improve participation rates and gain broader insights, in 2024 we decided to combine our regular engagement survey, 'Your Say', with our dedicated DE&I survey, 'Vibe'. This led to a significant uplift in completion rates, with an additional 66% of employees completing the survey.

DE&I & AI

The way we engage and communicate with our people across the organisation on important DE&I related events, topics and training opportunities has evolved considerably through the use of our AI bot, the 'All In Bot'. To date, we have seen upwards of 260,000 automated messages sent to employees inviting them to sign up to inclusion workshops and take part in ERG activities.





Binary Gender Pay Gap Report 2023-2024

Headcount & Binary gender split • Pay Quartiles 2024 • Pay and Bonus pay gaps

Headcount & binary gender split



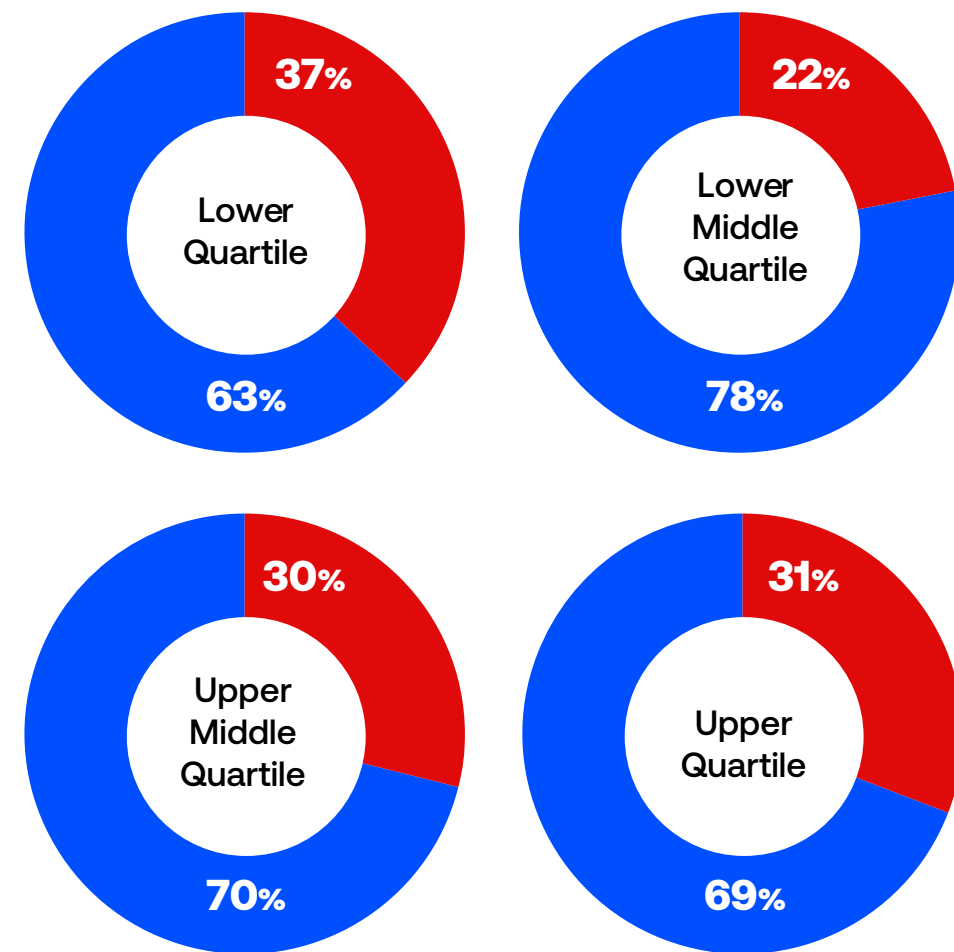
Relevant Employees
15,695

Relevant Full Pay Employees
15,629

Relevant Full Pay Employees

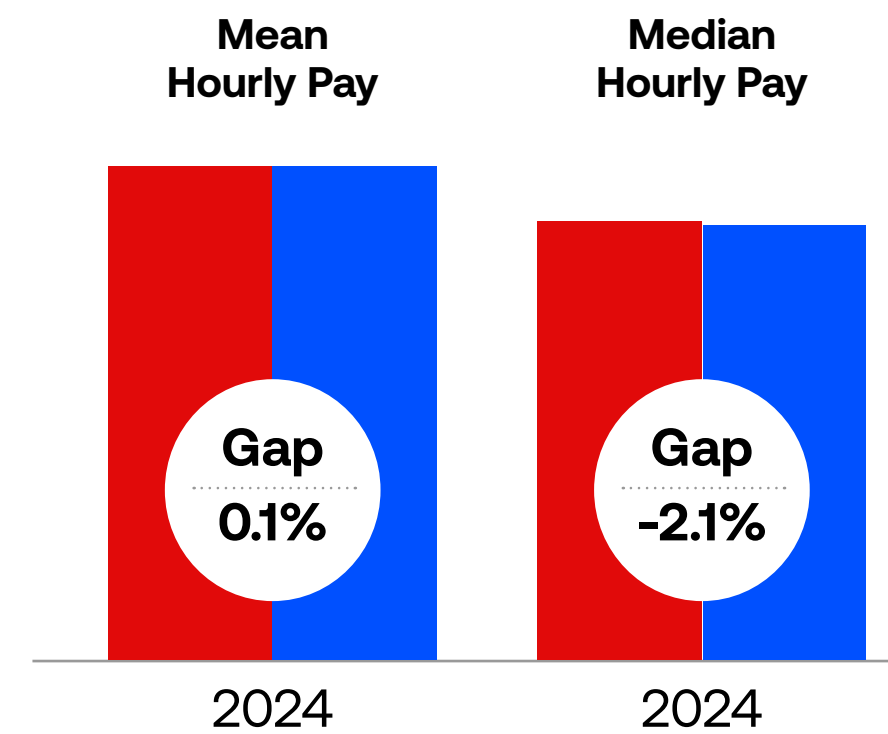


Gender pay quartiles 2024



As a result of various restructuring and organisational design projects, we have had a sizeable reduction in overall headcount. With this change, we see a three percentage point reduction in women across our lower quartile (primarily from customer service and operational support role changes). Conversely, we see a three percentage point increase in women across our upper quartiles, such as leadership roles.

Gender mean and median pay gaps



We see improvements towards narrowing the gap for both Mean and Median hourly pay. Mean reduced by 1.8 percentage points, essentially removing the pay gap. Median pay moved by 4.4 percentage points, narrowing the gap and moving it in favour of women.

Bonus gender pay gaps

• Women • Men



Proportion of men and women eligible for 2023/24 bonus payments

Women: 87.2%
Men: 89.0%

Bonus pay gaps

	%Gap	£Gap
Mean	11.3%	£745
Median	38.0%	£1,075

For the 2023/24 bonus period, we see a 10 percentage point increase in women and a 17 percentage point increase in men receiving bonus payments. This was due to a one-off Salary Review payment that was paid to all eligible employees, and follows a one-off event in the 2022/23 bonus period due to cost of living payments. Both of these payments were positive news for employees; however, they do make it difficult to measure progress year-on-year.

What are we doing to close the Binary Pay Gap?



Strategic goal to move the dial on gender representation

The core ambition of our All In strategy is to drive progress for gender parity across our organisation and achieve gender balance in our wider leadership population (including representation from those with diverse gender expression and identities) by the end of 2027. In 2024, we worked closely with each Executive Management Team member to set tailored ambitions that align to our All In strategy.

Menopause friendly employer

We were the first telecommunications organisation to achieve the Henpicked 'Menopause Friendly Employer' accreditation. In addition, our Women's network provides support and guidance for all employees on menopause topics through virtual webinars and a dedicated Menopause Support Group, encouraging all genders to participate in the conversation. We will continue to evolve our efforts to understand how menopause affects employees. During Menopause Awareness Month, we invited Helen Tomlinson, the Government's first ever Menopause Champion, to share insights on how the menopause journey varies depending on race.



www.henpicked.net

Women's network

We support the ongoing efforts of our Women's network which works to raise awareness of the topics that impact women across our organisation. The network provides a safe space for women to concentrate on achieving their business and personal goals, while offering support, inspiration, development and networking through events and online discussion. The network's current areas of focus are menopause, development, health and wellbeing, family, and women in technology.

In collaboration with the Fawcett Society, the UK's leading charity for women's rights, Virgin Media O2 has sponsored research aimed at understanding the Gender Gap in Tech. The Fawcett Society is advocating for change from employers, government, schools and universities to update the system and improve the culture in the tech industry. The research has identified a number of cultural issues driving low levels of psychological safety, retention challenges, and a lack of belonging for women working in technical roles. The research has enabled us to implement changes and initiate key projects that directly address cultural challenges specifically affecting women, such as improving our recruitment processes.





What are we doing to close the Binary Pay Gap?

Ofcom pledge

Virgin Media O2 is a signatory to Ofcom’s DE&I pledge to help more women build careers in technology across the telecoms sector.

The pledge has the following commitments:

- Increasing the senior representation of women in technology-based roles.
- Investing in attracting and retaining women within their organisations, creating inclusive environments where they can excel.
- Sharing best practice to showcase talented women in technology.
- Publishing information on the impact of their initiatives to inspire others in the sector.



International Women’s Day

For International Women’s Day 2024, we held activities based on survey feedback from the Women’s network’s 2,700 members, with self-development as the priority. External speakers led sessions on empowerment, handling microaggressions, building confidence, and effective strategies for self-advocacy, aimed to support the career progression conversations of many women across our organisation.



Girls Talk London

We continue to support a five-year partnership with the award-winning gender equality organisation, Girls Talk London. We’re proud to be actively involved in their ‘Step Up’ programme, a groundbreaking technology talent accelerator designed for women globally. Together with other sponsors, the programme provides access to mentorship and skills development training for women studying at university. Over a six-month period, participants receive guidance to support their career aspirations in the tech industry.



www.girlstalklondon.com

Ethnicity Pay Gap Report 2023-2024

Ethnicity split • Proportion of Global Majority and White employees in each pay quartile • Hourly pay gaps • Bonus pay gaps

● Global Majority ● White

Ethnicity split



Relevant Employees
11,160

Relevant Full Pay Employees
10,958

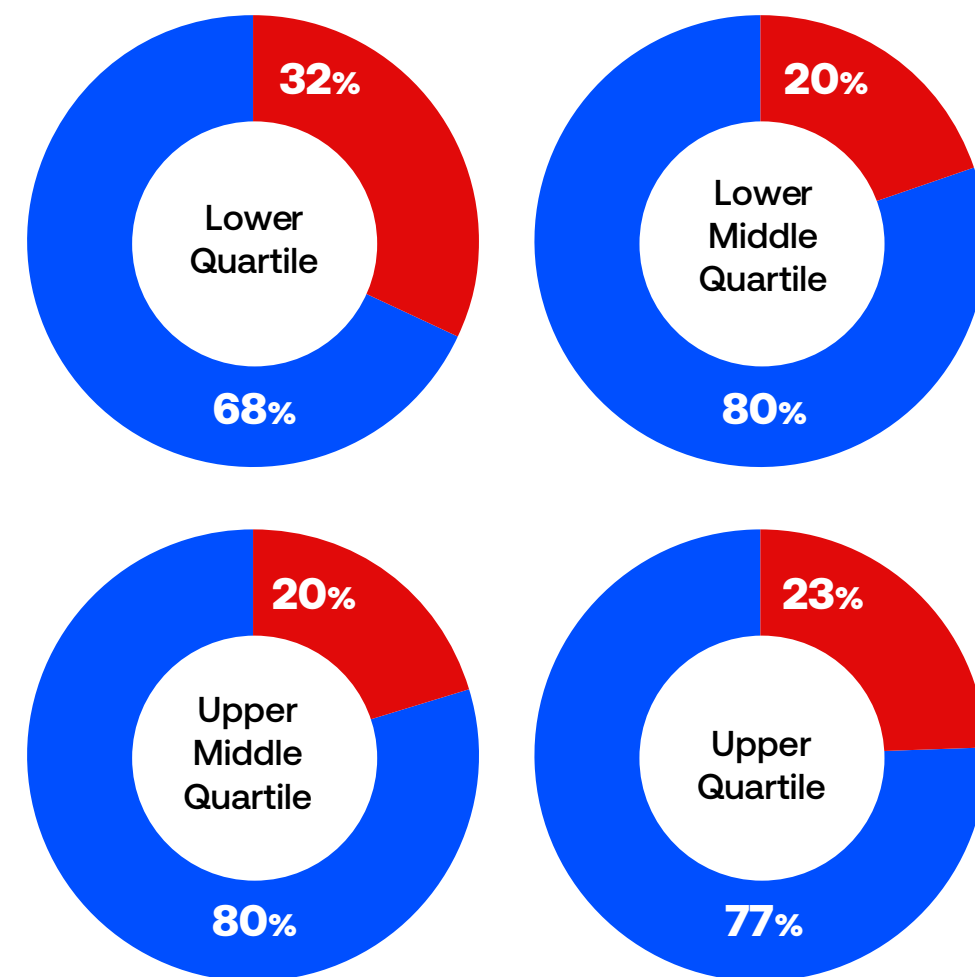
Disclosure
70%

Global Majority
24%

White
76%

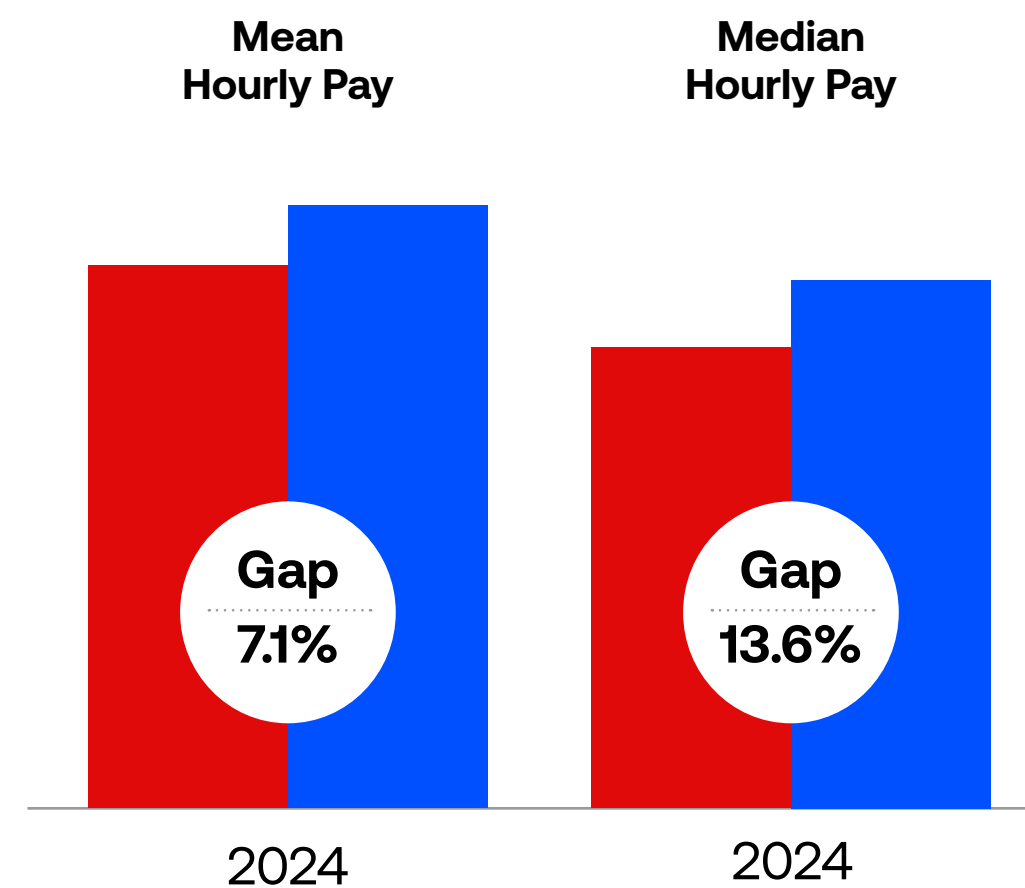
This year we saw a reduction in headcount overall, with disclosure remaining at 70% for ethnicity. We have seen a 1 percentage point increase in Global Majority employees in comparison to last year's report.

Ethnicity pay quartiles 2024



From our headcount movement, we see a two percentage point increase in Global Majority employees across our lower quartiles, primarily across Retail Stores and Field Sales, with a one percentage point increase across our upper quartile in leadership roles.

Ethnicity mean and median pay gaps



The most significant movement was in our Mean Pay Gap which has narrowed by 2.6 percentage points, with a marginal 0.3 percentage point increase in our Median Pay Gap over last year's report.

Bonus ethnicity pay gaps



Proportion of Global Majority and White eligible for 2023/24 bonus payments

White
91%

Global Majority
87.2%

Bonus pay gaps

	%Gap	£Gap
Mean	32.5%	£2,200
Median	33.4%	£996

For the 2023/24 bonus period, we saw up to a five percentage point increase in employees receiving bonus payments. Again, this was due to a one-off Salary Review payment that was given to all eligible employees and follows a one-off event in the 2022/23 bonus period due to cost of living payments. Both payments were positive new for employees; however they do make it difficult to measure progress year on year.

What are we doing to close the Ethnicity Pay Gap?



Strategic goal to move the dial on ethnicity

A core ambition of our All In strategy is to improve representation of people from Global Majority Group backgrounds. Our ambition is that 15% of our leadership population and 25% of our entire organisation will be from Global Majority groups by 2027. The ambition is different for leadership because we are starting from a lower position in terms of representation, and we recognise that our ambitions need to be stretching but achievable.

Increasing diversity data

We actively promote transparency and inclusivity by encouraging our employees to voluntarily disclose their diversity data through initiatives like 'All Info'. Additionally, all DE&I events emphasise the importance of this disclosure. Better diversity data helps us gain valuable insights into our employee population, meaning we can take targeted actions to address areas of concern and advance equity for Global Majority employees and other traditionally marginalised groups.

Enrich Network

Enrich, our Employee Network for Race and Cultural heritage, has a mission to cultivate an inclusive, anti-racist community within Virgin Media O2. They aim to uplift all employee voices, advocate for change, provide allyship through adversity, and celebrate the broad range of cultural identities within our organisation.



Hero campaigns key activities led by Enrich

For Black History Month 2024, we celebrated key achievements under the theme 'Reclaiming Narratives'. We shared personal and professional journeys through a series of livestreamed sessions titled 'Roots and Routes', and held an external event collaborating with Vodafone, Liberty Global, Tesco Mobile and giffgaff featuring Louis Smith MBE. We also explored financial freedom and entrepreneurship in the 'Reclaiming Economic Narratives' sessions. Throughout the month, we engaged employees through competitions, articles, and a food festival in our offices to showcase the strength and vibrancy of our Black community and allies.

20/20 Levels

We continued our four-year sponsorship with 20/20 Levels (formerly known as 20/20 Change), a social mobility organisation dedicated to empowering Black and racially underrepresented young individuals. Through this partnership, Virgin Media O2 supports the 'I AM CHANGE' programme, which provides opportunities for skills development and mentorship (including mentorship from Virgin Media O2 employees), empowering participants to realise their full potential and pursue their aspirations. By investing in programmes like this, we strive to foster a more inclusive and equitable society where every individual has the opportunity to thrive and succeed.



2020change.org/i-am-change

Ally Up anti-racism training

Our approach to anti-racism training for our people continued this year through our 'Ally Up' inclusion initiative. Regular workshops offered in-depth discussions on terminology, privilege, historical context, and anti-racist practices within an open, supportive environment. The workshops were complemented by toolkits and resources that line managers could use to facilitate conversations within their teams. We also continue to support 'Safe Space Sessions' for members and allies of the Enrich Network, to discuss societal events and share concerns.

Looking to the future



SWITCH

Designed to advance and support internal Black leaders at Virgin Media O2, SWITCH is an initiative aimed at developing the skills, mindsets, and networks necessary for leadership and career advancement. The programme addresses existing gaps in opportunities for Black professionals by offering tailored support and opportunities. Through mentorship, sponsorship and skill-building initiatives, SWITCH empowers Black leaders and demonstrates our commitment to increase Global Majority representation in senior roles.

Workplace adjustments

We have designed a streamlined Workplace Adjustments process that aims to provide comprehensive support to any employee who may require it, whether they are experiencing a change in circumstances, require support for a pre-existing condition, or have specific requirements as a new employee. Recognising the significant impact that having the right tools can have on both productivity and wellbeing, we want to make sure that every employee has the necessary resources to perform at their best.

HR passport

To improve the employee experience, we have created a central location within our HR portal to log any adjustments. This system focuses solely on the adjustments themselves, rather than the reasons behind them, and ensures that requirements are consistently recorded and transferred following any changes in line management. Adjustments are visible only to line managers. Additionally, the system includes a built-in review date. Before the anniversary of the logged adjustment, the system will automatically email the line manager, prompting them to discuss the adjustment with the employee. This ensures that the adjustment remains relevant and meets the employee's needs.

Zero tolerance

To ensure the safety and respect of our employees, we have reinforced our zero tolerance approach toward any forms of abuse. We've established a clear process for reporting unacceptable behaviour and provided support mechanisms for the health and wellbeing of our employees in the workplace. Following a successful launch and positive feedback from our customer-facing teams, we've extended this approach across the entire organisation via a dedicated campaign titled 'That's #NotOkay'.



Looking to the future

Building our allyship journey

We will continue to provide interactive and educational workshops on key inclusion topics for all employees, including bespoke leadership courses through the inclusion initiative 'Ally Up'. As part of our leadership development pathways, we have launched the 'Inclusive Leader' programme. This online platform offers leaders practical tools and support to help create inclusive teams and environments where everyone feels a sense of belonging.

We've also introduced a mandatory DE&I employee learning and development module to create and develop inclusive team environments and strengthen allyship across the organisation.

Inclusive recruitment policies

We continually review the way we recruit to make sure we are adopting best practice. We also invest in new technology that can provide improved data to help us increase the diversity of our talent. Our recruitment system gives candidates an inclusive and intuitive experience when applying for roles at Virgin Media O2, and we are reviewing our assessment and interview processes to remove any barriers and eliminate bias. We have also removed the requirement to provide a CV in almost 50% of our hiring outcomes and use independent assessment observers to support managers when interviewing to ensure inclusive decision making.

Continuing menopause support

We enhanced our menopause support because we understand that navigating this phase can be challenging without the right assistance – both for the individual experiencing the menopause first-hand and for partners and friends. Recognising that each person's experience is unique, our support is customised to individual needs. In collaboration with our healthcare provider, we've introduced a Menopause HealthLine offering one-to-one support with trained menopause nurses. Our flexible care options, including face-to-face, video and telephone appointments mean our employees can take control of their health journey in a way that suits them.

Declaration

I confirm the data reported is accurate.

Philipp Wohland

Chief People and Transformation Officer
Virgin Media O2

Appendices

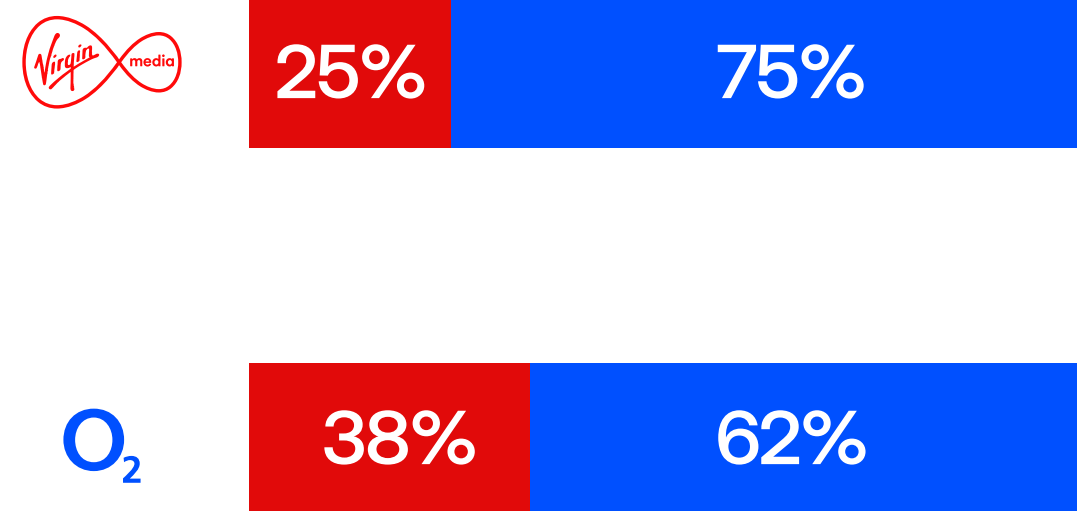
Virgin Media and O2 numbers in an appendix for gender

● Women ● Men

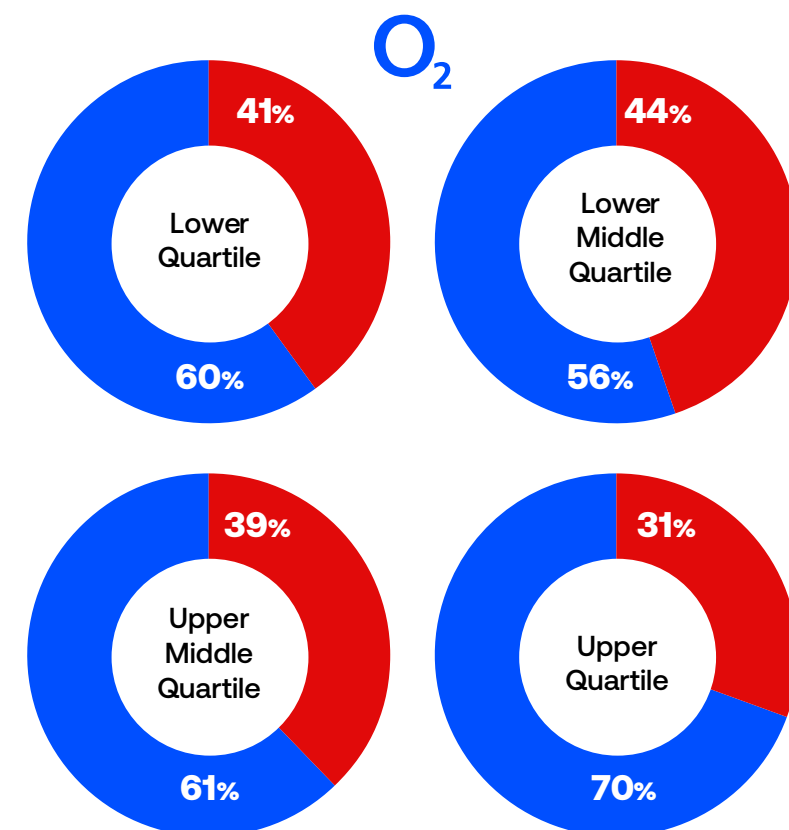
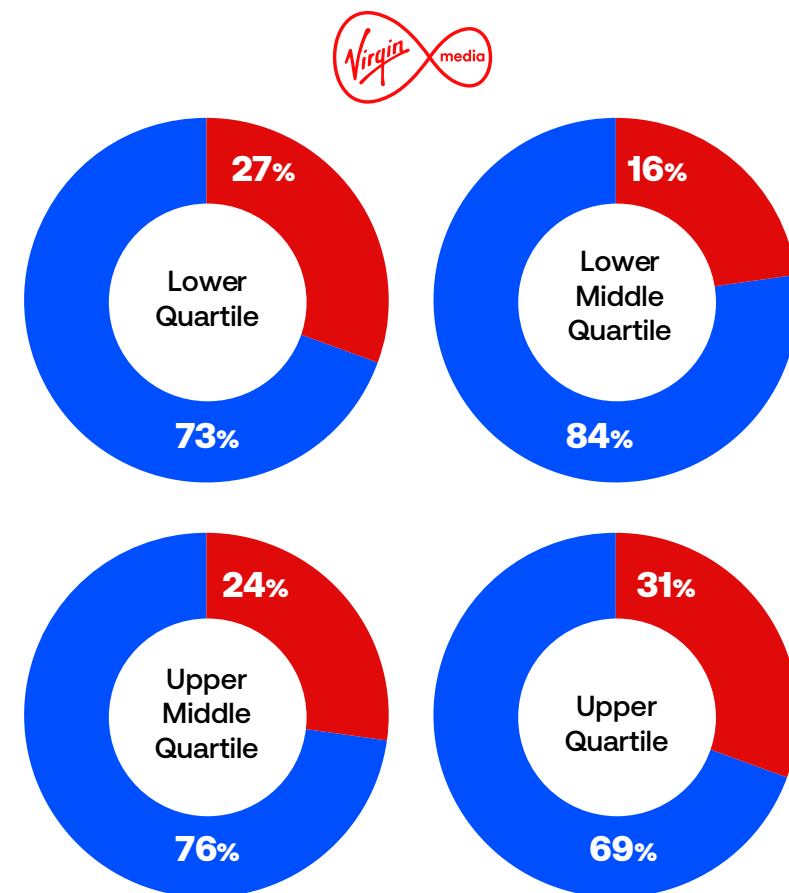
Headcount and binary gender split

	Virgin Media	O2
Relevant Employees	10,109	5,856
Relevant Full Pay Employees	9,806	5,823

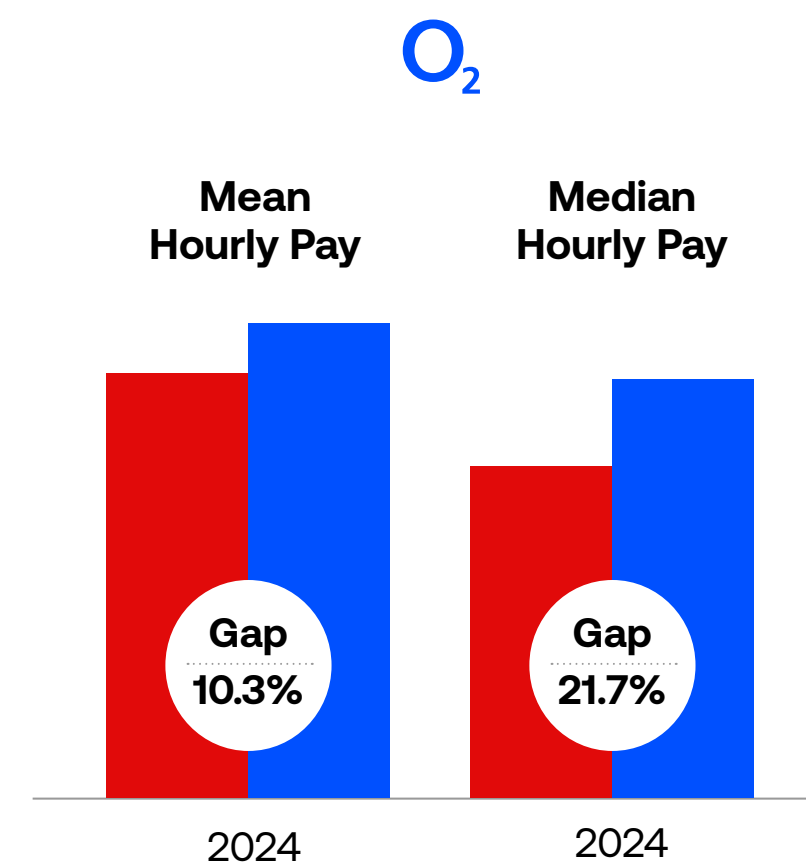
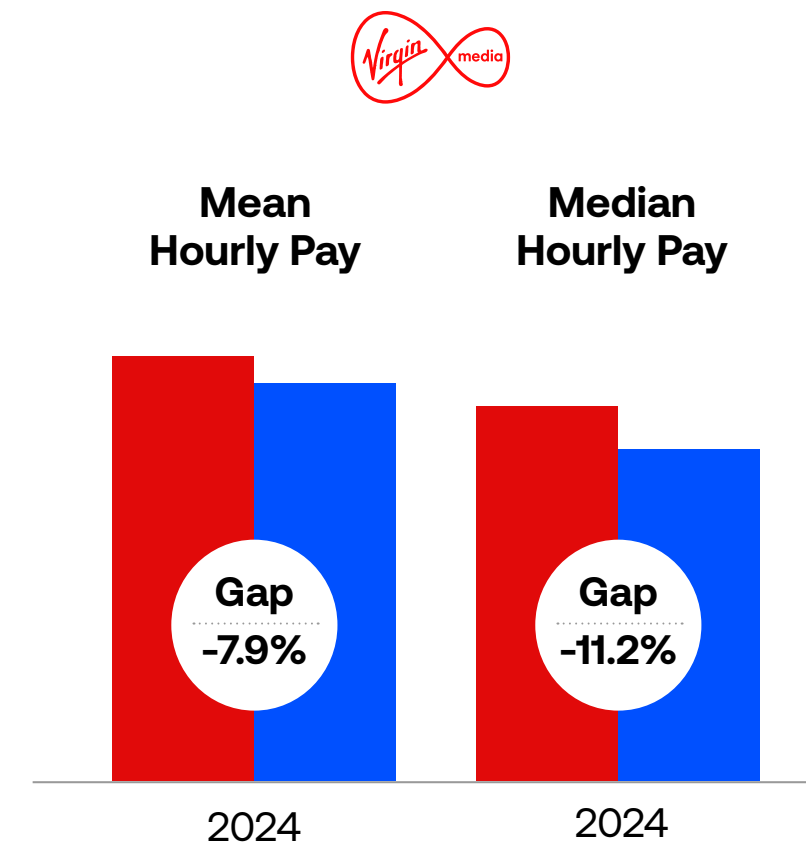
Relevant Full Pay Employees



Gender pay quartiles 2024



Gender mean and median pay gaps



Bonus gender pay gaps

Proportion of men and women eligible for 2023/24 bonus payments

	Virgin Media	O2
Men	90.8%	85.2%
Women	89.8%	84.2%

	%Gap	£Gap
Virgin Media Mean	6.6%	£448
Virgin Media Median	36.3%	£796
O2 Mean	14.4%	£884
O2 Median	6.2%	£218

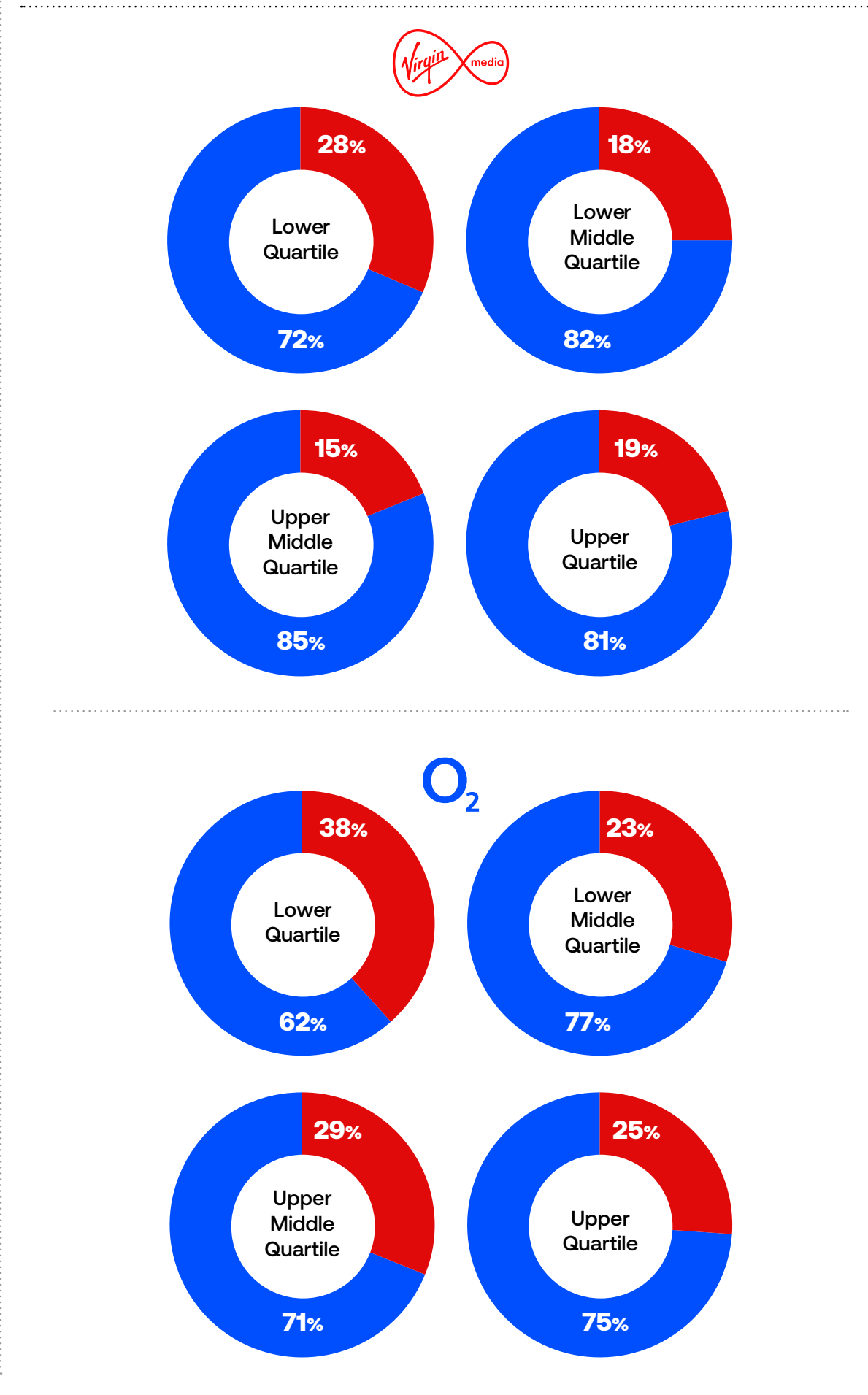
Appendices

● Global Majority ● White

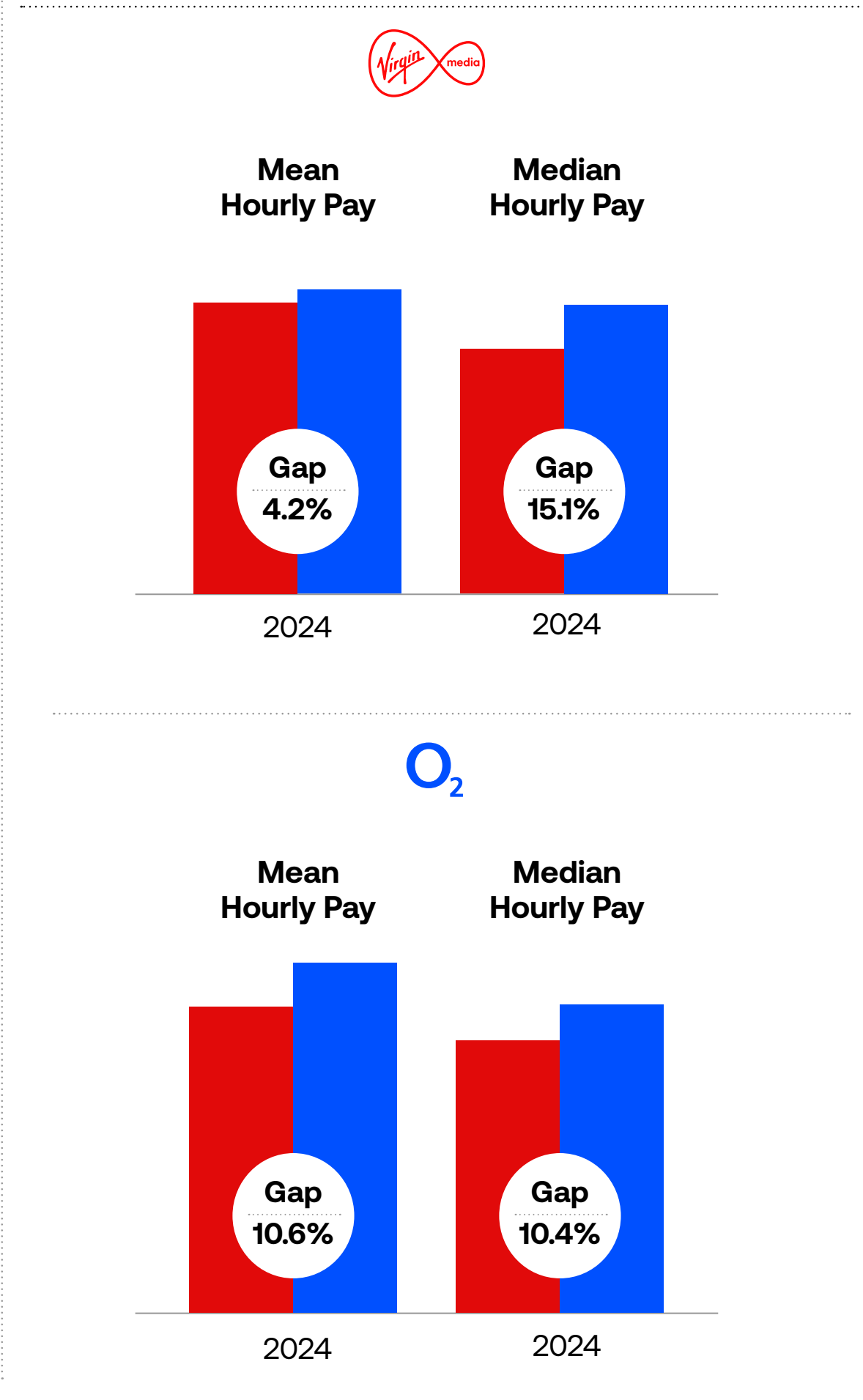
Ethnicity split

	Virgin Media	O ₂
Relevant Employees	6,559	4,601
Relevant Full Pay Employees	6,379	4,579
Disclosure	65%	79%
Global Majority	20%	29%
White	80%	71%

Ethnic pay quartiles 2023



Ethnicity mean and median pay gaps



Bonus ethnicity pay gaps

Proportion of men and women eligible for 2023/24 bonus payments

	Virgin Media	O ₂
Global Majority	87.4%	86.9%
White	90.8%	91.2%

	%Gap	£Gap
Virgin Media Mean	23.1%	£1,581
Virgin Media Median	15.9%	£278
O ₂ Mean	42.0%	£2,792
O ₂ Median	16.3%	£585

Appendices

Key terminology

Relevant Employees

All employees who were paid their usual full pay on the snapshot date (i.e. did not receive a one-off bonus, nor were they on unpaid leave, both of which may skew the figures).

Snapshot Date

Gender Pay Gap calculations will be based on figures from a set date each year – for businesses like Virgin Media O2 this is 5 April.

Pay Quartiles

The proportion of employees across our Ordinary Pay range is represented in quartiles by dividing the workforce into four equal segments, from the lowest hourly rate to the highest hourly rate.

Ordinary Pay

This is the basic hourly pay on the snapshot date (5 April), plus bonus (monthly and quarterly) and premiums (shift premiums, on-call allowances etc), which is then converted into an hourly rate.

(Note: Overtime and pension contributions are excluded, as is our annual bonus paid in March).
Global Majority This includes Asian, Dual Heritage, Black and other Global Majority groups.

Calculation definitions

Mean (average) calculation

The mean is calculated by adding up the wages of all relevant employees and dividing the figure by the number of employees.

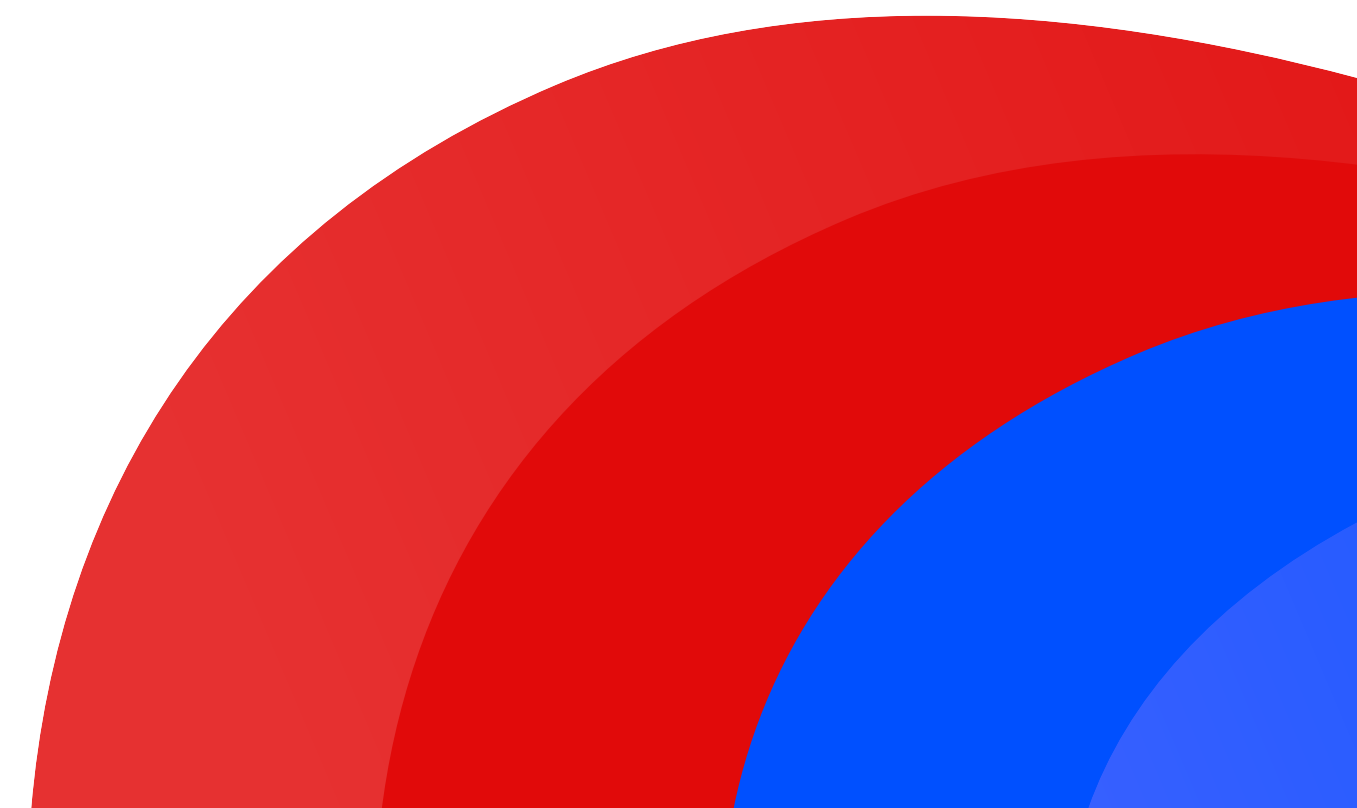
The average hourly rate of traditionally marginalised groups (women or Global Majority) compared to the average hourly rate of majority groups (men and white employees) as a percentage. A positive % indicates a favourable pay gap towards traditionally dominant groups, and a negative % indicates a favourable pay gap towards traditionally marginalised groups.

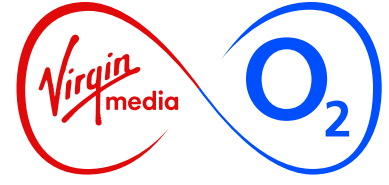
Median (middle) calculation

The median is the figure that falls in the middle of a range when the wages of all relevant employees are lined up from smallest to largest. The median gap is calculated based on the difference between the employee in the middle of the range of traditionally marginalised groups (Global Majority or women) and the middle employee in the range of the majority groups (white or men). A positive % indicates a favourable pay gap towards majority groups, and a negative % indicates a favourable pay gap towards traditionally marginalised groups.

Bonus Pay Calculation

Bonus Pay refers to any bonus, commission, or equity (vested RSUs, PSUs or exercised SARs) paid between 1 April 2023 and 31 March 2024, this doesn't pro-rate for part-time employees and those who have joined or left through the year. This is not an hourly figure but an overall total figure of bonus awarded during the year. We then calculate mean and median bonus pay gaps.





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