

Corporate Governance Statement

The Company is part of Virgin Media O2 and the Directors have adopted the Virgin Media O2 governance framework for the year ended 31 December 2024, in accordance with the Companies (Miscellaneous Reporting) Regulations 2019, during the reporting year as summarised below.

Reference to Shareholders refers to the ultimate Shareholders, Telefónica and Liberty Global.

Principle One: Purpose and Leadership

The Board (**Joint Venture Board**) continues to provide entrepreneurial leadership which sets out the Group's long-term strategic direction and challenge to the Executive Management Team (**Executives**) implementation of the strategy to deliver sustainable success and value to the Group's stakeholders.

In support of our ambition of being a converged champion and the scale challenger in the UK telecoms market, during the year we continued to make progress on our purpose "See What You Can Do" putting customers at the heart of our business decisions whilst delivering great customer outcomes through our products and services. We continue to embed our desired culture through our core values of Brave (encourages us to be bold, creative, accountable and innovative), Real (encourages honesty and being authentic, respectful and transparent) and Together (encourages empathy, agility and inclusion).

At the beginning of 2024, we reshaped our organisational design to become a more customer-centric business by the creation of a new converged Consumer function. We aligned the Commercial, Operations, Information Technology and Data teams to drive greater focus on delivering the best customer outcomes and to provide greater clarity and clear accountability to those teams through a shared set of objectives. Since then, we have made significant progress in our ways of working and we're seeing the benefit of greater collaboration across the teams with some real wins and achievement of critical milestones in customer experience, strategic technology platforms, data capabilities and enhanced propositions.

Further details of how the Group has delivered on its purpose during 2024 is set out in "Our Group Strategy and 2024 Progress" section on page [9](#).

Principle Two: Board Composition

The Board consists of eight Shareholder appointed Directors of mixed nationalities and continues to remain fit for purpose in relation to the size and complexity of the Group. Each Director brings a wealth of experience to the organisation as leading industry experts. The Articles and Shareholders Agreement of VMED O2 UK Limited set out the governance protocols for any potential conflicts of interest. In addition, any permitted conflict of interest between VMED O2 and the Shareholders is overseen by the Framework Services Agreement, which sets out the rules of engagement between the Shareholders and the Group.

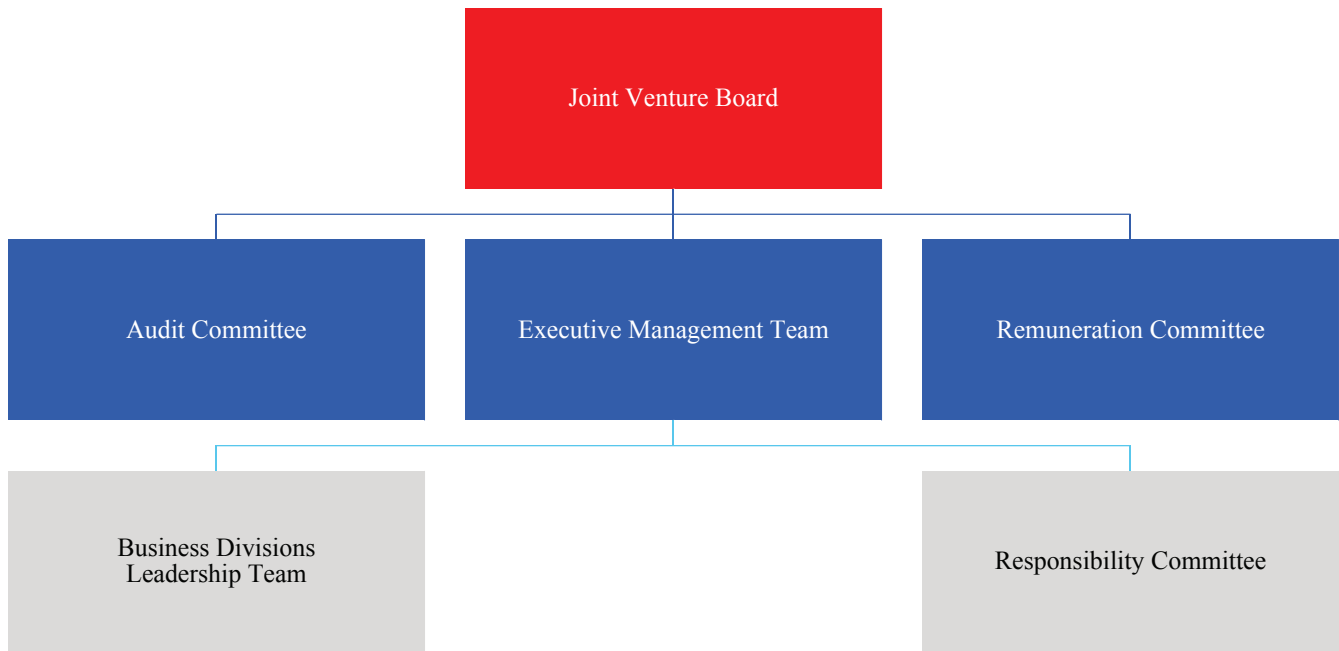
The Chair is rotated biennially between the Shareholders and the current Chair is a Telefónica appointed Director up until mid-2025. Each Director including the Chair has a vote, further details on how the Board conduct its affairs are detailed in the Articles. The Board has ultimate control of the Group's governance framework and retains oversight and accountability of certain Shareholder Reserved Matters as determined by the Shareholders Agreement.

The Board has delegated the day-to-day management of the Group to the Executives who have the operational control of the Group's activities in accordance with the business plan in place. The Executives, led by the CEO, are gender diverse and of mixed nationalities with diverse skills and a wealth of experience and expertise. Details of the Executives' biographies can be found on our [corporate website](#).

The Executives are supported by the Leadership team, which comprises of professional and experienced individuals that oversee specific business divisions. The Leadership team regularly update and advise the Board, Directors and Executives on significant matters which impact their business divisions.

The Executives are supported by the Responsibility Committee which took over the responsibilities of three expert sub-committees –Environment; Social Impact; and Diversity, Equity and Inclusion – to oversee delivery of the Virgin Media O2 ESG strategy known as our Better Connections Plan and to monitor progress against its goals and targets. Periodic updates from the sub-committees are provided to Audit Committee and Executives, ensuring senior oversight of our sustainability endeavours including our supply chain sustainability oversight.

Governance Framework as at 31 December 2024



Principle Three: Director Responsibilities

The role of the Chair of the Board is separate from the CEO, who is not a Board member but attends the Board meetings to provide updates on the Executives delegated responsibilities. The structure allows the Board to meticulously challenge the implementation of the Group’s strategy, position and performance. The Board is assisted by the Audit Committee which have clear terms of reference and consists of two Board members in addition to the Shareholders’ General Counsels, the Chair of the Audit Committee has the appropriate level of financial qualification and experience. The Audit Committee oversees the Group’s risk management and internal control framework. The Remuneration Committee, whose detailed terms of reference consists of two Board members, are responsible for setting the remuneration policy and practices for the Group.

The Board and Executives are ultimately responsible for the Group’s internal control framework, and together with the Leadership team are committed to maintaining a robust control framework which accords with the delivery of good governance, and the effective oversight of the operational controls through the delegation of authority processes. Further details of our internal control framework are set out in the Anti-Bribery and Corruption Framework on page [56](#).

The Board have bi-monthly meetings with standing agenda items of strategic importance to ensure enough oversight of the Group’s position and performance. As an example, the Board considered and approved the entry into an arrangement with Cellnex for the provision of tower infrastructure and associated services in 2024. The scope of the agreement includes the upgrade and maintenance our existing sites across the country to ensure we continue to provide our customers with the fast and reliable mobile connectivity, and we continue to invest in the network infrastructure.

Principle Four: Opportunity and Risk

Our approach to risk management is to support the business to identify and realise opportunities which deliver value creation and preservation, to aid our employees to effectively manage risks, and ultimately to help improve the Company and Group’s position. Risk is managed at the Group level and the entities adopt the Risk Management Framework. Further details on our Risk Management Framework are set out in “Our Risk” on page [78](#).

The Company has established internal control frameworks, encompassing financial reporting, business governance, consumer protection, financial crime prevention, Ofcom metering and billing, and other compliance control requirements. These frameworks are now managed through our Governance, Risk, and Control (GRC) platform. The GRC platform centralises the recording and management of risks, controls, and the tracking of management action plans within the Group.

Our internal control frameworks include preventative and detective control activities performed by management, such as policy management, risk management, and the design and operation of various internal controls covering the above-mentioned areas. These are complemented by assurance activities, performed by Internal Audit, as well as other functions such as Compliance and Security.

All the independent assurance activities, conducted by Internal Audit, including the annual assessments of the internal controls over the financial reporting framework, are reflected in the annual internal audit plan. The internal audit plan is reviewed and approved by the Audit Committee, with regular status updates provided. Additionally, the External Auditors meet quarterly with the Audit Committee to review processes and procedures.

These controls and assurance activities support the Group to achieve its business objectives while providing the necessary oversight for Executives, the Audit Committee, and the Board.

Principle Five: Remuneration

The Board members are not remunerated by the Group. The Remuneration Committee has the delegated authority to make recommendations to the Board:

- i. to set and assess the Group's remuneration policy and practices that foster the retention and attraction of highly skilled talent, long-term succession planning, incentivise high performance to drive the achievement of the Group's Vision and long-term Strategy, in a way that represents a positive and entrepreneurial culture through short and long-term decision-making;
- ii. approve certain senior level nominations and remuneration packages; and
- iii. define policies for certain senior level appointments, and such other employee related matters as the Board may determine from time to time.

To align the success of Executives and the Leadership team with the sustainable success of the Group's business activities, part of the Executives and Leadership Team's remuneration are delivered in the form of short and long-term variable remuneration and based on financial and non-financial performance. The short-term variable remuneration is linked to achieving specific financial, customer satisfaction and sustainability objectives. The long-term variable remuneration is linked to the long-term value creation in the Group by measuring key financial objectives aligned to the latest three-year strategy.

The remuneration of the workforce is determined by the Executives, ensuring that proposals are balanced, proportionate, and aligned with the Group's commitment to build a diverse and inclusive workforce. The Executives are committed to giving back to those employees who have demonstrated both consistent contribution and who are demonstrating our values and behaviours. The Executives have set aside a recognition budget dedicated to Growth and Contribution recognition to financially recognise the employees through an uplift to their base salary at the end of the year.

The Group companies within the scope of the gender pay gap regulations comply with the obligation to publish their gender pay gap report. Insight from gender pay gap reports has informed the Group's diversity and inclusion policies put in place during the year. Details of the Executives' Remuneration are disclosed in the Notes to the Consolidated Financial Statements on page [125](#).

Principle Six: Stakeholder Relationships and Engagement

The Board understands that the Group's stakeholders are important for the successful delivery of the Group's ambition and purpose. Given the scale of the Group, the Executives have the delegated responsibility of the stakeholders in their respective business divisions and periodically report to the Board and Audit Committee on matters of strategic importance.

The Group's stakeholders' engagements are discussed below with further details in the "Strategic Report" from page [5](#) and the "Stakeholder Interaction – S172(1) Statement" from page [73](#).

Employees

We continue our commitment to listen to and act on feedback from our employees, through our engagement surveys. Throughout the year, we adopted an 'Always on Listening' approach, ensuring more frequent opportunities to gather employee feedback and act on it. This includes quarterly employee engagement pulse surveys and integrated lifecycle surveys, such as onboarding (30 and 90 days) and exit surveys, which provide valuable insights into the employee journey.

Our pulse surveys ask our employees questions about the most prevalent topics at Virgin Media O2 at the time, while also keeping some questions consistent for trend analysis. For the final pulse survey of 2024, we achieved an engagement score of 76 with an 88% response rate, an improvement in engagement of +4 compared to final survey of 2023. The pulse survey provided a

good representation of the overall workforce and a strong sense of psychological safety. The survey results highlighted key strengths and opportunities enabling a sharp focus in influencing positive change in our culture, whilst we operate in complex and dynamic macro and micro-environments. Our people priorities were updated supporting the insights of the survey and a refreshed strategic plan with a focus on culture underpinned by belonging, clarity, recognition and development as crucial drivers of our success. The results of the survey are shared with the Executives, and the Chief People & Transformation Officer gives regular updates to the CEO on engagement across the business.

We have employee groups with key representatives across the Group whose role is to think holistically about the issues and concerns for employees in their business divisions. Through these groups we can get more regular insights into the sentiment in the business, address any concerns and ensure that follow-up actions are adhered to. Further details of our employee strategy can be found in the “People” section of the Strategic Report on page [18](#).

Customers

Customer satisfaction is essential to our long-term success and putting our customers first is, and will always be, a foundational strategic priority for our organisation. Our large and diverse customer base has broad needs and expectations and as a Group, we remain focused on meeting and exceeding as many of our customers’ expectations as possible against a backdrop of growing network usage and continued pressure on some consumer and business customers purchasing power.

Our customers expect quality products and services at a fair price. We interact with our customers through customer segmentation on the types of product offerings at different lifecycle stages. We continually analyse and implement measures to improve our customers’ experience. Insights from NPS data, social media and focus groups enable us identify customers’ challenges, enabling us to make improvements where necessary. The Executives receive monthly updates on NPS performance, which is tracked across our different services and brands, and has significant influence on decision-making for our interactions with current and potential customers.

Further details of our customer strategy can be found in the “Strategic Report”, with the “Consumer” section from page [10](#) and the “Business and Wholesale” section from page [12](#).

Regulators

We actively engage with our regulators, Ofcom and the Financial Conduct Authority (FCA), to foster a constructive relationship and support our business strategy.

Ofcom

Making things better for our customers is at the heart of everything we do. As a major player in the industry, we proactively engage with Ofcom and the wider industry on matters of concern to our customers. In 2024, we responded to Ofcom consultations and activities across a wide range of topics. Notable examples include:

a) Gaining Provider Led Switching (One Touch Switch)

Virgin Media O2 successfully launched One Touch Switch on 12 September 2024, in line with the majority of industry. Post-launch, we continued to engage with Ofcom, The One Touch Switching Company and other industry participants to improve the operation of the process to ensure it works well for customers joining or leaving Virgin Media O2. Ofcom continues its industry-wide enforcement investigation into the operation of providers during the implementation period.

b) Release of mmWave spectrum

Virgin Media O2 continued to engage with Ofcom on its proposals to release 5.4 GHz of mmWave spectrum in the 26 GHz and 40 GHz bands. This included submitting a detailed response to Ofcom’s further consultation on the auction Regulations. Ofcom has now decided on an appropriate auction design and final Regulations. The auction is expected to begin in October 2025.

c) Mid-contract price rises linked to inflation banned by Ofcom

Virgin Media O2 engaged with Ofcom on its proposals and later decision to prohibit inflation-linked price variation terms. Ofcom stipulated that such price rises are banned and that providers can only implement price rises reported in pounds and pence at the time of customers signing up to new contracts. We urged and succeeded in Ofcom giving providers more time to implement the new rules, we communicated what our new policy with regard to contractual price rises is, and we adopted this policy across our mobile and fixed operations.

d) Proposed changes to Annual Licence Fees (ALFs)

Ofcom opened an investigation into the ALFs that apply to spectrum in the 900, 1800 and 2100 MHz on the grounds of potential misalignment between fees and underlying spectrum values. We participated in several calls with Ofcom and submitted our views on how Ofcom could revise its approach to determining ALFs. In December 2024, Ofcom published its proposals involving notable reductions in 900 and 1800 MHz ALFs. Over the next year, we will respond to these proposals and engage on potential changes to how the new ALFs will be implemented.

Financial Conduct Authority (FCA)

The Group has regulated subsidiaries that are authorised to provide consumer credit and insurance services. Our regulatory authorisations were supported by our interactions with the FCA through 2024, including the provision of regular reporting and our Consumer Duty annual Board report. We are committed to continually strengthen our monitoring and governance framework and, through 2024, implemented enhancements to support good customer outcomes and reflect FCA published priorities for regulated firms.

Suppliers

Our Responsibility Committee is chaired by our Chief Communications & Corporate Affairs Officer, and provides periodic updates to Virgin Media O2's Audit Committee and Executives, ensuring senior oversight of our sustainability endeavours. This forum is also used as an escalation point, as needed, for any supply chain sustainability issues enabling oversight of such issues.

Engagement with strategic suppliers is managed through formal vendor management programmes with dedicated relationship leads and formal relationship reviews. It is important that our suppliers align with our code of conduct, which details our standards expected of suppliers with respect to environmental management, ethics and human rights.

The Board continue to have zero-tolerance towards modern slavery in the supply chain and receives updates, where necessary, on matters of concern to the suppliers. The Board approves the Group's Modern Slavery Report, which is published annually on the website.

A mix of routine and exceptional management reporting is used to ensure appropriate stakeholder visibility at all relevant tiers of management both within Virgin Media O2 and its shareholder parents. Supply continuity and service quality has continued to be a priority due to ongoing economic pressures on our supply chains and of the risk of potential impacts from various ongoing geopolitical issues. Examples of supplier engagement can be found in the "Stakeholder Interaction – S172(1) Statement" on page [73](#). Further details of our responsible business plan can be found in the "Governance" section of the "Non-Financial and Sustainability Information Statement" on page [52](#).

Communities

Our Better Connections Plan is our Group's sustainability strategy which centres on the areas where we believe we can make the greatest positive impact through our products, services and digital know-how, underscoring our ambition to help create an inclusive, connected and decarbonised society. Further details are reported in the "Better Connections Plan overview" on page [40](#).

Investors

It is important for us to engage proactively with our different investors providing effective communication and regular dialogue to ensure that the strategy and performance of Virgin Media O2 are well understood. Further details are reported in the "Stakeholder Interaction – S172(1) Statement" on page [73](#).

This Corporate Governance Statement was approved by the Board on 13 May 2025 and signed on its behalf by:


Julia Boyle

Director