

This statement, provided by the Directors of Telefonica O2 Holding Limited, sets out in tangible terms how the Directors have had regard to the considerations set out in Section 172(1) of the Companies Act 2006.

The Directors in the performance of their statutory duties detailed in Section 172(1) of the Companies Act 2006, have a responsibility to act in a way they consider, in good faith would most likely promote the success of the Company, for the benefit of the shareholders as a whole. In doing the Directors have had regard to:

1. The likely consequences of any decisions in the long term;
2. The interests of Company's employees;
3. The need to foster the Company's business relationship with suppliers, customers and others;
4. The impact of the Company's operation on the community and environment;
5. The desire of the Company maintaining a reputation of high standard of business conduct; and
6. The need to act fairly between shareholders of the Company (there are no minority v

The Company does not trade and does not have a significant number of employees. The 172 (1) Statement is required as the Company is part of a larger group. The significant arrangement during the period is in respect of the payment of dividend to its shareholders. The directors of the Company are of the opinion that they fulfilled their obligations when determining the amount of dividend distribution, in particular taking into account the long term consequences of paying the dividend, its obligations to the small number of employees including the pension scheme. In doing so the directors ensured that proposed dividend amount was lawful and that the Company continues to be well positioned to meet its obligations in the near future.

Telefonica O2 Holding Limited – Section 172(1) Statement for the year ended 31 December 2019 approved by the Board of Directors on the 5 August 2020.