



Introduction

Liberty Global welcomes the opportunity to contribute to Ofcom's consultation on their proposals for the Telecoms Access Review ('TAR') 2026-2031.

Liberty Global is a world leader in converged broadband, video and mobile communications services through Gigabit networks and an active investor in cutting-edge infrastructure, content and technology ventures. We are long term investors in the UK, through our joint ventures Virgin Media O2 ('VMO2') and nexfibre, as well as the Formula E electric vehicle racing series, the edge data centre provider Atlas Edge and the renewable energy companies Egg and Believ.

This contribution focusses on our role as an investor in the UK economy. Our affiliates VMO2 and nexfibre will submit their own responses from their perspective as operators.

Regulatory stability

We welcome Ofcom's proposals for the TAR and its targeted changes and feel these provide consistency with the approach established under the Wholesale Fixed Telecoms Market Review ('WFTMR'), ensuring stability and certainty over 2026-2031.

For investors, as well as for operators, regulatory certainty is needed to justify investment. Return on investment is a major factor in investment decisions; telecoms is a capex heavy sector which requires significant investments to build and maintain the infrastructure. We note that Ofcom acknowledges as such in its TAR analysis¹ – Ofcom's approach to market regulation is essential to regulatory stability. Furthermore, regulatory certainty incentivises innovation, as well as fosters consumer welfare. With the TAR process now underway, it is important that Ofcom adopts an approach consistent with their past decisions. We feel its proposals for the TAR are an appropriate continuation of the WFTMR regime, making changes only to reflect the circumstances that have developed over the last market review period.

The cornerstone of regulation should be a stable regulatory environment. Any regulatory intervention should respect the principles of appropriateness, proportionality and technology neutrality and only take place if there is a clear problem and only to the extent necessary. Not abiding by these principles will result in overregulation that not only distorts competition but also de-incentivizes investment.

We feel that Ofcom's proposals to continue to regulate BT Openreach respect these cornerstones. With specific regard to the WLA market, competition in the wholesale market remains very limited. BT Openreach is still benefitting from its traditional monopoly position which makes it very difficult for other operators to effectively compete at the wholesale level. This also has a chilling effect on operators'

¹ Ofcom TAR 2026-2031, Volume 4: Pricing Remedies, paragraph 1.92, page 16.



ability to invest in gigabit networks as utilization of the network is an important metric. A lack of wholesale competition in the market is one of the reasons some networks are struggling to achieve their business plans. As a result, investment in the sector has slowed considerably in recent years. Ofcom recognises that competition is still developing in the market in its TAR analysis².

Sustainable competition and consolidation

The current state of the telecoms market in the UK is challenged. Operators are struggling to make reasonable returns on investment to meet demands for the rollout of Gigabit networks. Underinvestment hinders the sector's growth and prevents the UK from fully benefiting from technological advancements brought about by Gigabit networks. Also, the market is characterized by too many competing networks for all of these to survive economically. Consolidation and market exit by some players seems inevitable and we note that Ofcom recognises this in its TAR proposals as it looks ahead over the next review period and beyond³.

The key to unlocking the necessary investment lies in achieving scale – and that is precisely what operators are lacking today. When fixed and mobile network assets achieve high penetration and are thus highly utilised, they deliver increased returns on investment by spreading the costs of rolling out, and maintaining, infrastructure to serve more customers. Return on investment is driven by the amount of traffic that each operator can expect to get onto its network. Or in simple terms, how many operators a market can economically sustain so that each one has the opportunity to earn a reasonable return on investment.

Many businesses have insufficient customers on the network in order to achieve sufficient returns on investment.

We welcome Ofcom's consideration of the likelihood of consolidation over the next review period.⁴ We have shown in a report commissioned from SPC Networks ⁵ that combining or pooling resources amongst operators provides more certainty over return and ensures efficient roll-out by avoiding wasteful duplication of costs, ultimately turning a negative business case into an attractive investment opportunity. In addition, network sharing results in increased competition as more networks can operate profitably, both in rural, less populous areas and in urban areas. Consumers will benefit from faster roll-out of Gigabit networks, particularly to areas that may not otherwise be covered by commercially built

² Ofcom TAR 2026-2031, Volume 2: Market Definition and SMP Assessment, paragraph 1.16, page 5.

³ Ofcom TAR 2026-2031, Volume 2: Market Definition and SMP Assessment, paragraphs 4.72-4.81, pages 67 - 68.

⁴ Ofcom TAR 2026-2031, Volume 2: Market Definition and SMP Assessment, paragraphs 4.75, page 67.

⁵ SPC Network and Liberty Global, Economically Sustainable Ultrafast Broadband Markets: The effect of fixed network sharing.



broadband, and from better quality services and additional value-added service components included in product offerings since the cooperation partners are looking to differentiate their proposal to the consumer. There may also be environmental benefits because sharing may require less network build with associated disruption.

As above, we expect consolidation – as well as network cooperation – to be a key feature of the market over the next few years as companies seek to become economically sustainable. Ofcom should enable and incentivize pro-competitive consolidation and cooperation – and take such market developments into account as they arise – as this will enable the sector to continue to roll out gigabit networks.

Beyond 2031

Looking ahead to 2031 and beyond, the TAR proposals give a clear regulatory signal, outlining relevant factors Ofcom would consider when approaching the next market review. At the analyst presentation for the TAR consultation⁶ Ofcom outlined a set of other outcomes that might emerge beyond 2031 and the regulatory approaches that would be relevant⁷. This, again, provides stability and certainty for investors; the investment cycle is long, and it is important to consider the direction of the market and regulation when considering where to invest. As such, as a long-term investor in the UK market, the sentiment and recognition from Ofcom as to how 2026-31 developments will be considered in the next market review are welcome.

⁶ <https://www.ofcom.org.uk/siteassets/resources/documents/phones-telecoms-and-internet/information-for-industry/telecoms-regulation/transcript-to-analyst-investor-call-20-march-2025.pdf?v=393207>

⁷ <https://www.ofcom.org.uk/siteassets/resources/documents/phones-telecoms-and-internet/information-for-industry/telecoms-regulation/tar-analyst-call-slides-20-march-2025.pdf?v=393124>



ABOUT LIBERTY GLOBAL

Liberty Global (NASDAQ: LBTYA, LBTYB and LBTYK) is a world leader in converged broadband, video and mobile communications services. Liberty Telecom delivers next-generation products through advanced fibre and 5G networks, and currently provides over 80 million* connections across Europe. Our businesses operate under some of the best-known consumer brands, including Telenet in Belgium, Virgin Media in Ireland, UPC in Slovakia, Virgin Media-O2 in the U.K. and VodafoneZiggo in The Netherlands. Through our substantial scale and commitment to innovation, we are building Tomorrow's Connections Today, investing in the infrastructure and platforms that empower our customers to make the most of the digital revolution, while deploying the advanced technologies that nations and economies need to thrive.

Liberty Global's consolidated businesses generate annual revenue of more than \$4 billion, while the VMO2 JV and the VodafoneZiggo JV generate combined annual revenue of more than \$18 billion.**

Liberty Growth, our global investment arm, has a portfolio of more than 75 companies and funds across the content, technology and infrastructure industries, including stakes in companies like ITV, Televisa Univision, Plume, AtlasEdge and the Formula E racing series.

* Represents aggregate consolidated and 50% owned non-consolidated fixed and mobile subscribers. Includes wholesale mobile connections of the VMO2 JV and B2B fixed subscribers of the VodafoneZiggo JV.

** Revenue figures above are provided based on full year 2023 Liberty Global consolidated results and the combined as reported full year 2023 results for the VodafoneZiggo JV and full year 2023 U.S. GAAP results for the VMO2 JV.

Telenet, the VMO2 JV and the VodafoneZiggo JV deliver mobile services as mobile network operators. Virgin Media Ireland delivers mobile services as a mobile virtual network operator through third-party networks. UPC Slovakia delivers mobile services as a reseller of SIM cards.

Liberty Global Ltd. is listed on the Nasdaq Global Select Market under the symbols "LBTYA", "LBTYB" and "LBTYK".