

Total Frozen Prices savings message in 2023 used in marketing:

‘Our customers saved £9.5m last year with a Frozen Prices contract.’

Savings based on a comparison of total value of all Clubcard price customers with a Clubcard Price Pay Monthly Anytime Upgrade Flex and SIM Only contracts that are frozen the duration and that started in 2023 with this figure x 4% + 3.9 CPI.

Further to this, some notes on the below approach:

1. We calculated all monthly subscription spends for customers on frozen contracts on Pay Monthly Anytime Upgrade Flex and SIM Only.
2. Next we worked out the increased cost that would have been paid had the customers been subject to 4% +3.9% CPI (e.g. not on a Frozen price contract).
3. This was then multiplied by the volume of all customers on frozen contracts and then further multiplied by 12 months for the relevant year (2023) to get the total saving.

How did Tesco Mobile arrive at the price increase of 4% + 3.9% CPI?

Taken from our website: [Our Pricing | Payments and Charges | Help | Tesco Mobile](#)

How the annual price rise is calculated

What is CPI?

The Consumer Price Index (CPI) is a measure of the annual change in consumer prices for a typical basket of goods and services. The CPI rate is calculated and published monthly by the Office for National Statistics. The government uses CPI as the basis for its inflation target and for the uprating of state pensions and benefits. We have no say in what the CPI rate is or how it's calculated.

What is the extra 3.9% for?

The extra 3.9% reflects the rising costs of both maintaining and improving a mobile network's connectivity services.

How is the annual price rise calculated?

Each year, we'll take the CPI rate published in January and add 3.9% to get a total percentage. If the annual price rise applies to you, your basic monthly usage price or basic monthly price (depending on your contract type) will rise by the total percentage each April. (If the CPI rate is negative, your price will only rise by 3.9%.) The rise will be rounded down to the nearest whole pence.

At least 30 days before we make any changes to our pricing, we'll let you know what your current price is and what your new price will be. Please be aware, in the email or SMS we send you, your current price and new price won't include any discounts you may have (such as a Family Perk, loyalty bundle or friends and family discount). But rest assured, any existing discounts will be applied to your new price and reflected on your bill.

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|---|--|------------------------|
| Here's an example of how the annual price rise is calculated, based on the 4% CPI rate published in January 2024: | | £10 |
| Calculation | | £10 + 7.9% (4% + 3.9%) |
| New basic monthly usage price or basic monthly price | | £10.79 |

Do Tesco Mobile customers (who don't have frozen contracts) still have to accept this specific increase on their contract?

Yes – anyone on a Clubcard Price contract will have frozen prices and will avoid the annual price increases. See below:

How to get frozen prices

How can I freeze my price?

Offering the reassurance of frozen prices has always been important to us. So, if you upgrade to or take out one of our **exclusive Clubcard Price deals**, you won't need to worry about your bill going up mid-contract – because we promise to freeze your basic monthly usage price for the length of your contract.

The annual rise to this price each April will only apply once your minimum contract period ends. (If you're on an Anytime Upgrade Flex contract, your contract refers to your phone contract – not your rolling monthly usage contract.)

[See all our Clubcard Price deals.](#)

If you upgraded to or took out a non-Clubcard Price after 27th March 2023, your basic monthly usage price or basic monthly price (depending on your contract type) will receive the annual rise from April 2024.

Our **pay as you go deals** are not subject to CPI + 3.9%.

Anyone not on a Clubcard Price contract will be subject to the price rises stated above.