FINANCIAL REPORT 2019

8. Corporate governance statement

Corporate governance can be defined as a framework of rules (laws, institutions and policies) and practices (processes and customs) governing the way a company is directed, managed and controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the Company is governed. The principal stakeholders are the shareholders, the board of directors, management, employees, customers, creditors, suppliers, the government and the community at large.

In this chapter, the board of directors discusses factual information regarding the current corporate governance policy at Telenet and relevant events which took place in the year ended December 31, 2019.

8.1 Reference code

The Corporate Governance Charter of the Company has been revised by decision of the board of directors of the Company, taken on February 10, 2020, in order to designate the new Belgian Corporate Governance Code 2020 as adopted by Royal Decree of May 12, 2019, as reference code within the meaning of Article 3:6, §2, 1° of the Belgian Companies and Associations Code (www.corporategovernancecommittee.be). The most recent version of the Corporate Governance Charter can be found on the investor relations website of the Company (https://investors.telenet.be). Except for a limited number of deviations in relation to executive and non-executive remuneration as set out in principles 7.6, 7.9, 7.11 and 7.12, the Company is fully compliant with the provisions of the Belgian Corporate Governance Code 2020. The deviations are indicated and explained in the relevant sections of this Statement.

8.2 Regulatory developments and their impact on Telenet

Belgium has broadly transposed the Regulatory Framework into law. According to the electronic communications law of June 13, 2005, the BIPT, the Belgian National Regulatory Authority ("NRA"), should perform a market analysis to determine which, if any, operator or service provider has Significant Market Power. In addition, the Federal Parliament prepared legislation to transpose the 2009 revisions to the Regulatory Framework, which became effective as of August 4, 2012.

Telenet has been declared an operator with Significant Market Power on the market for call termination on an individual fixed public telephone network. Since April 1, 2012, reciprocal termination rates have been imposed, which results in Telenet charging the interconnection rate of the incumbent telecommunications operator, Proximus. Following a court annulment of a final decision on wholesale tariffs issued by the BIPT in 2016, the BIPT issued a new decision in November 2018 that imposes a wholesale tariff of €0.11603 cents per minute, as of January 1, 2019.

In May 2017, the BIPT published its latest decision on the relevant market for "call termination on individual mobile networks". Telenet, as a mobile network operator, has also been designated in the decision as having Significant Market Power by the BIPT. In the decision, the BIPT adopts a bottom-up long run incremental cost model to calculate tariffs for call termination on individual mobile networks, resulting in a nominal value of €0.99 cents per minute as of July 1, 2017.

On July 7, 2017, the Belgium Regulatory Authorities published a draft market review decision (the "2017 Draft Decision"). The 2017 Draft Decision was notified to the European Commission on April 27, 2018. The European Commission issued its comments on May 25, 2018 ("Comments Letter"). The 2017 Draft Decision which has been adopted on June 29, 2018 (the "2018 Decision") replaces the 2011 Decision. The 2018 Decision confirms a finding of Significant Market Power of Telenet in the wholesale broadband market. The obligations include (i) providing third-party operators with access to the digital television platform (including basic digital video and analog video) and (ii) making available to third-party operators a bitstream offer of broadband internet access (including fixed voice as an option). The 2018 Decision no longer applies a retail minus pricing on Telenet, but as of August 1, 2018, imposes monthly wholesale cable resale access prices during an interim period, before setting "reasonable access tariffs" with a link to cable cost model which is under development by the Belgium Regulatory Authorities, of €20.29 (for services including broadband speeds up to 149Mbps download) and of €30.12 (for services including broadband speeds of 150Mbps download and above) . On July 5, 2019, the Belgium Regulatory Authorities have published for consultation a draft decision regarding "reasonable access tariffs" that will replace the interim prices. The proposed tariffs represent for Telenet another 25% reduction compared to the interim prices.

Telenet provided substantive comments in September 2019. The next step for the Belgium Regulatory Authorities is to notify a final draft decision to the European Commission. Ahead of the notification, Telenet submitted its comments to the European Commission opposing the "reasonable access tariffs". The Belgium Regulatory Authorities had indicated their intention to adopt a final decision in the fourth quarter of 2019, with the application of new tariffs in early 2020, however the notification to the European Commission still needs to be made which will trigger the review process by the European Commission.

Telenet considers the 2018 Decision to be inconsistent with the principle of technology-neutral regulation and the European Single Market

Strategy to stimulate further investments in broadband networks. For these reasons Telenet filed an appeal with the Brussels Markets Court that was rejected on September 4, 2019. Telenet has the intention to file an appeal before the Belgian Supreme Court (Hof van Cassatie / Cour de Cassation) against this judgment.

The 2018 Decision aims to, and in their application, may strengthen Telenet's competitors by granting them resale access to Telenet's network to offer competing products and services notwithstanding Telenet's substantial historical financial outlays in developing the infrastructure. In addition, any resale access granted to competitors could (i) limit the bandwidth available to Telenet to provide new or expanded products and services to the customers served by its network and (ii) adversely impact Telenet's ability to maintain or increase its revenue and cash flows.

8.3 Capital and shareholders

8.3.1 Capital and securities

8.3.1.1 Share Capital

The share capital of the Company amounted to €12,799,049.40 as of December 31, 2019, and was represented by 114,656,785 shares without nominal value. All shares are ordinary shares, listed on Euronext Brussels, with the exception of 30 Golden Shares and 94,843 Liquidation Dispreference Shares to which certain specific rights or obligations are attached, as described in the articles of association and the Corporate Governance Charter.

On April 24, 2019, the Extraordinary General Shareholders' Meeting approved the cancellation of 1,881,040 own shares acquired by the Company under the Share Repurchase Program 2018bis. Following the partial share cancellation, the total number of outstanding shares decreased from 117,716,323 to 115,835,283.

On December 4, 2019, the Extraordinary General Shareholders' Meeting approved the cancellation of 1,178,498 own shares acquired by the Company under the Share Repurchase Program 2018bis. Following the partial share cancellation, the total number of outstanding shares decreased from 115,835, 283 to 114,656,785.

8.3.1.2 Other Securities

Details on the various stock option plans for a selected number of employees, the Senior Leadership Team ("**SLT**") and the Chief Executive Officer ("**CEO**"), issued before December 31, 2018, can be consulted in Telenet's 2018 Financial Report.

On February 11, 2019, the board of directors approved the Telenet Long Term Incentive Plan on the basis of which Telenet is able to grant its Company's CEO, its Senior Leadership Team and a selected number of employees (i) stock options, (ii) performance shares and (iii) restricted shares.

On February 11, 2019, the board of directors approved a new general stock option plan for the CEO, the Senior Leadership Team and a selected number of employees (the "**Employee Stock Option Plan 2019**" or "**ESOP 2019**"). Each of these stock options entitles the holder thereof to purchase from the Company one existing share of the Company. On May 6, 2019, the board of directors authorized a grant under this plan to certain beneficiaries with an exercise price of €46.54 per stock option. On June 24, 2019, a total of 713,286 of the 808,724 offered stock options were accepted. The vesting of these stock options occurs quarterly over a period of 4 years, with a vesting of 10% of the total stock options granted during each of the first 4 quarters and a vesting of 5% of the total stock options granted during each of the 12 following quarters.

On May 6, 2019, the Company granted its CEO, Senior Leadership Team and a selected number of employees a total of 113,291 performance shares (the "**2019 Telenet Performance Shares**"). On June 24, 2019, a total of 111,466 of the 113,291 offered performance shares were accepted. The performance target applicable to the 2019 Telenet Performance Shares is the achievement of an Operating Free Cash Flow (OFCF) CAGR (under US GAAP), when comparing the Operating Free Cash Flow during the period started as of January 1, 2019 and ending on December 31, 2021 to the Operating Free Cash Flow for the period started on January 1, 2018 and ended on December 31, 2018. A performance range of 50% to 122% of the target Operating Free Cash Flow would generally result in award recipients earning 50% to 150% of their 2019 Telenet Performance Shares, subject to reduction or forfeiture based on individual service requirements. The earned 2019 Telenet Performance Shares will vest on May 6, 2022. More details on the outstanding 2019 Telenet Performance Shares can be found in section 8.7.2.4 b) of this Statement.

More details on previous performance share grants, issued before December 31, 2018, to the SLT and the CEO can be consulted in Telenet's 2018 Financial Report.

On May 6, 2019, the Company granted its CEO, its Senior Leadership Team and a selected number of employees a total of 106,786 restricted shares (the "**2019 Telenet Restricted Shares**"). On June 24, 2019, a total of 94,556 of the 106,786 offered restricted shares were accepted. The vesting of these restricted shares occurs annually over a period of 2 years, with a vesting of 40% of the restricted shares granted on May 6, 2020 and a vesting of 60% on May 6, 2021, subject to reduction or forfeiture based on individual service requirements. However, upon vesting, the Telenet shares remain blocked for trading for a period of 2 years, i.e. respectively until May 6, 2021 and May 6, 2022.

8.3.2 Evolution of the share capital of Telenet Group Holding NV

No capital movements took place in the year ended December 31, 2019.

8.3.3 Shareholders

Important movements in shareholdings

Transparency declarations

In the course of the year ended December 31, 2019, the Company received the following transparency declarations:

On January 3, 2019, Telenet received a transparency notification from Liberty Global plc, in accordance with articles 6 and 18 of the Law of 2 May 2007. In its notification of January 2, 2019, Liberty Global plc reports (i) certain changes as per December 28, 2018, to the chain of control through which it holds its stake in Telenet as well as (ii) as the consequence of purchases of own shares by Telenet, the crossing, by Telenet, of the 3% threshold in the week of August 13, 2018, and the 5% threshold in the week of October 22, 2018, and the crossing, by Liberty Global plc, of the 60% threshold in the week of September 10, 2018. The voting rights attached to shares in Telenet, held by Telenet as the consequence of purchase of own shares, are suspended in accordance with applicable law.

On March 20, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of March 20, 2019, BlackRock, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings) has exceeded the 3% threshold on March 18, 2019.

On March 21, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of March 21, 2019, BlackRock, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings) has dropped below the 3% threshold on March 19, 2019.

On April 16, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of April 16, 2019, BlackRock, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings) has exceeded the 3% threshold on April 15, 2019.

On April 18, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of April 18, 2019, BlackRock, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings) has dropped below the 3% threshold on April 17, 2019.

On April 25, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of April 25, 2019, BlackRock, Inc. reports that (i) voting rights attached to shares in Telenet (aggregated with its controlled undertakings) have exceeded the the 3% threshold on April 23, 2019, and (ii) its total ultimate holdings in Telenet (aggregated with its controlled undertakings) has exceeded the 3% threshold on April 23, 2019.

On April 26, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of April 26, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet (aggregated with its controlled undertakings listed above) has dropped below the 3% threshold on April 24, 2019.

On April 30, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of April 30, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on April 29, 2019.

On June 3, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of June 3, 2019, BlackRock, Inc. reports that total holdings as well as voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on May 29, 2019.

On June 5, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of June 5, 2019, BlackRock, Inc. reports that total holdings in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on May 30, 2019.

On June 12, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of June 12, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on June 3, 2019.

On June 13, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of June 13, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on June 11, 2019.

On June 17, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of June 17, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on June 13, 2019.

On June 18, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of June 18, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on June 14, 2019.

On June 20, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of June 20, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on June 18, 2019.

On July 4 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of July 4, 2019, BlackRock, Inc. reports that the total participation and voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on July 3, 2019.

On July 16, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of July 16, 2019, BlackRock, Inc. reports that the total participation in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on July 15, 2019.

On July 18, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of July 18, 2019, BlackRock, Inc. reports that voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) have dropped below the 3% threshold on July 17, 2019.

On July 23, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of July 23, 2019, BlackRock, Inc. reports that the total participation in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on July 22, 2019.

On July 30, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of July 30, 2019, BlackRock, Inc. reports that the total participation in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on July 26, 2019.

On July 31, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of July 31, 2019, BlackRock, Inc. reports that the total participation in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on July 30, 2019.

On August 2, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of August 2, 2019, BlackRock, Inc. reports that the total participation in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on August 1, 2019.

On August 8, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of August 8, 2019, BlackRock, Inc. reports that the total participation and voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on August 7, 2019.

On August 16, 2019, Telenet received a notification from Liberty Global plc and its affiliate Binan Investments B.V. in accordance with Article 74, § 8 of the Law of April 1, 2007 on public takeovers. This notification provides an update of the notification submitted by Liberty Global plc and its affiliate Binan Investments B.V. on August 17, 2018.

On September 26, 2019, Telenet disclosed a transparency notification from Liberty Global plc, Binan Investments BV and Telenet Group Holding SA/NV in accordance with articles 6 and 18 of the Law of 2 May 2007. In its notification dated September 25, 2019, Liberty Global plc, Binan Investments and Telenet Group Holding SA/NV report that the number of own shares held by Telenet Group Holding SA/NV have dropped below the 5% threshold on September 20, 2019. Other than Telenet Group Holding SA/NV crossing below the 5% threshold, no shares in Telenet Group Holding SA/NV were transferred or acquired by Liberty Global plc or its subsidiaries.

On October 4, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of October 3, 2019, BlackRock, Inc. reports that the total participation and voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has crossed the 3% threshold on October 2, 2019.

On October 8, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of October 7, 2019, BlackRock, Inc. reports that the total participation and voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on October 4, 2019.

On November 28, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of November 27, 2019, BlackRock, Inc. reports that the total participation and voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on November 26, 2019.

On December 2, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of November 29, 2019, BlackRock, Inc. reports that the voting rights attached to shares in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on November 28, 2019.

On December 9, 2019, Telenet received two transparency notifications from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its first notification of December 6, 2019, BlackRock, Inc. reports that the total participation as to voting rights in Telenet held by it (aggregated with its controlled undertakings) has dropped below the 3% threshold on December 5, 2019. In its second notification of December 9, 2019, BlackRock, Inc. reports that the total participation in voting rights in Telenet held by it (aggregated with its controlled undertakings) has exceeded the 3% threshold on December 6, 2019.

On December 11, 2019, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of December 11, 2019, BlackRock, Inc. reports that the voting rights in Telenet held by it (aggregated with its controlled undertakings) have exceeded the 3% threshold on December 10, 2019.

These declarations can be consulted on the Company's investor relations website: https://investors.telenet.be.

Share Repurchase Program 2018bis

On June, 25 2018, the Company announced the initiation of a €300.0 million share repurchase program (**the "Share Repurchase Program**

2018bis"), which replaced the Share Repurchase Program 2018, which commenced on February 13, 2018.

Under the Share Repurchase Program 2018bis, Telenet could repurchase from time to time up to 7.5 million shares for a maximum consideration of €300.0 million until June 28, 2019. This program was funded through the Company's existing cash balances as well as available untapped liquidity under its revolving credit facilities.

Under this program, 2,332,478 shares were repurchased in the year ended December 31, 2019 for a total amount of €101.0 million. With this repurchase, the Company completed the aforementioned share buyback program.

Share Repurchase Program 2020

On February 12, 2020, the Company announced the initiation of a €55.0 million share repurchase program (the "**Share Repurchase Program 2020"**), effective as of the end of February 2020.

Under this program, Telenet may acquire from time to time its common stock, for a maximum of 1.1 million shares or a maximum consideration of €55.0 million, up to October 31, 2020. The share repurchases will be conducted under the terms and conditions approved by the extraordinary general shareholders' meeting of the Company of April 24, 2019. The program will be implemented in accordance with industry best practices and in compliance with the applicable buy-back rules and regulations. To this end, an independent financial intermediary will repurchase shares on the basis of a discretionary mandate during a three-month period as of March 2, 2020. The precise timing of the repurchase of shares pursuant to the program will depend on a variety of factors including market conditions. The repurchased shares under this program will be used to cover future obligations under the Company's share option plans or will be canceled to the extent repurchased shares under this program would exceed such obligations. Telenet will continuously monitor both its current and future obligations under such plans in view of keeping an adequate level of treasury shares.

Shareholder structure

The shareholder structure of the Company at December 31, 2019, based on (i) the shareholders' register of the Company, (ii) all transparency declarations received by the Company, (iii) as well as the latest notification of each relevant shareholder as notified to the Financial Services & Markets Authority ("**FSMA**"), was as follows:

Shareholders	Outstanding shares	Percentage
Liberty Global Group (*)	66,342,037	57.86 %
Own Shares (***)	4,513,142	3.94 %
BlackRock, Inc.	3,784,052	3.30 %
Lucerne Capital Management, L.P.	3,540,452	3.09 %
Employees	755,626	0.66 %
Public (**)	35,721,476	31.16 %
Total (****)	**114,656,785**	**100.00%**

(*) Including 94,827 Liquidation Dispreference Shares
(**) Including 16 Liquidation Dispreference Shares held by Interkabel Vlaanderen CVBA and 30 golden Shares held by the financing intermunicipalities
(***) In accordance with Belgian Corporate law, the voting rights attached to treasury shares are suspended and any dividend rights on such shares (if applicable) are cancelled while they remain in the Company's possession. Consequently, the Company's share count, adjusted to reflect the full suspension of voting rights and cancellation of dividend rights on these treasury shares, totaled 110,143,643 at December 31, 2019
(****) Including the cancellation of (i) 1,881,040 treasury shares on April 24, 2019 and (ii) 1,178,498 treasury shares on December 4, 2019, both as approved by the Extraordinary Shareholders' Meeting

Relationship with and between shareholders

Please see note 5.27 of the consolidated financial statements of the Company for an overview of the relationship of the Company with shareholders. Furthermore, the Company is not aware of any agreements between its shareholders.

8.3.4 General meeting of shareholders

According to the Company's articles of association, the annual meeting of shareholders takes place on the last Wednesday of the month of April at 10:00 am CET. In 2020, this will be on April 29.

The rules governing the convening, admission to meetings, their conduct and the exercise of voting rights, and other details can be found in the articles of association and in the Corporate Governance Charter, which are both available on the Company's investor relations website (https://investors.telenet.be).

8.3.5 Consolidated Information related to the elements referred to in article 34 of the Royal Decree of November 14, 2007

Article 34 of the Royal Decree of November 14, 2007 requires that listed companies disclose the relevant elements that may have an impact in the event of a take-over bid. The board of directors hereby gives the following explanations concerning the respective elements to be addressed under these rules:

- A comprehensive overview of the capital structure of the Company can be found in note 5.12 to the consolidated financial statements of the Company.

- Restrictions on the transfer of shares extend only to the 30 Golden Shares. The Company's articles of association provide that the Golden Shares can only be transferred to other partnerships (***samenwerkingsverbanden***) between municipalities and to municipalities, provinces or other public law entities or private companies that are controlled directly or indirectly by public law entities. The Golden Shares can only be transferred per lot of three Golden Shares.

- Any major shareholdings of third parties that exceed the thresholds laid down by law and by the articles of association of the Company are listed in section 8.3.3 of this Statement.

- On December 31, 2019, the Company had 94,843 Liquidation Dispreference Shares and 30 Golden Shares outstanding. The Liquidation Dispreference Shares can be converted into ordinary shares on a 1.04 to 1.00 ratio.

- The Golden Shares attribute to the financing intermunicipalities (who hold all 30 Golden Shares) the right to appoint representatives in the regulatory board (***regulatoire raad***), which supervises the so called "public interest guarantees", and the right to appoint an observer in the board of directors of the Company, as further described in the articles of association and the Corporate Governance Charter of the Company. In practice, the regulatory board has not been established, but an observer instead attends the board of directors.

- Share option plans are described in note 5.12 to the consolidated financial statements of the Company. The CEO SOP 2014 and CEO SOP 2014bis provide that all outstanding stock options would immediately vest upon a change of control, a de-listing of the Company or the launch of a squeeze-out offer in relation to the shares of the Company. The ESOP 2014, CEO SOP 2015, SSOP 2015, ESOP 2015, ESOP 2016, ESOP 2016bis, ESOP 2017, ESOP 2017bis, ESOP 2018 ESOP 2018bis and ESOP 2019 provide that all outstanding stock options would immediately vest upon a change of control. All these provisions have been approved by or will be put for approval to the extraordinary general shareholders' meeting in accordance with article 7:151 (previously article 556) of the Belgian Code of Companies and Associations.

- The Company is not aware of any agreement with any shareholder that may restrict either the transfer of shares or the exercise of voting rights.

- Members of the board of directors are elected or removed by a majority of votes cast at the annual general meeting of shareholders. Any amendment to the articles of association requires the board of directors to propose that the shareholders' meeting passes a resolution to that effect. For amendments to the articles of association, the shareholders' meeting must comply with the quorum and majority requirements laid down in the articles of association and in the Belgian Code of Companies and Associations.

- The board of directors is authorized by the shareholders' meeting of April 24, 2019 to repurchase shares of the Company up to the maximum number allowed in accordance with article 7:215 and following (previously article 620 and following) of the Belgian Code of Companies and Associations, provided that the purchase price per share of the Company may be maximum 20% above, and may not be lower than 20% below, the average closing quotes of the shares of the Company, on a "per share" basis, as traded on Euronext Brussels (or any other regulated market or trading platform on which the shares of the Company are traded at that time at the Company's initiative) during a period of 30 calendar days prior to the acquisition of the shares by the Company. This authorization is valid for 5 years, i.e. until April 30, 2024

- Certain provisions of the financing agreements of the Company's subsidiaries would become effective or would be terminated in case of a change of control over the Company. The relevant provisions were approved at the extraordinary shareholders' meeting of the relevant subsidiaries of the Company in accordance with article 556 of the Belgian Company Code, and will in the future be subject to article 7:152 of the Belgian Code of Companies and Associations.

- The Telenet Performance Share Plan 2016, the Telenet Performance Share Plan 2018 and the Telenet Performance Share Plan 2019 (more details on these Performance Shares to be found in section 8.7.2.4 b) of this Statement) also contain change of control wording. The Performance Share Plans 2016 and 2018 were available for all the members of the SLT and one other manager, as well as the CEO. The Performance Share Plan 2019 was available for the CEO, the Senior Leadership Team and a selected number of employees. The relevant provisions were approved or will be put for approval at the extraordinary shareholders' meeting in accordance with article 7:151 (previously article 556) of the Belgian Code of Companies and Associations.

- The Company is otherwise not party to any major agreement that would either become effective, be amended and/or be automatically terminated due to any change of control over the Company as a result of a public take-over bid. The Company notes however, that certain of its operational agreements contain change of control provisions, giving the contracting party the right, under certain circumstances, to terminate the agreement without damages.

- Other than the provisions relating to stock options, as set out above, the Company has not concluded an agreement with its members of the board of directors or employees, which would allow the disbursement of any special severance pay in the case of termination of employment as a result of a public take-over bid.

8.4 Internal control and risk management systems

8.4.1 General

The Company is exposed to various risks within the context of its normal business activities, which could have a material adverse impact on its business, prospects, results of operations and financial condition. Therefore, managing these risks is very important to the management of the Company. To support its growth and help management and the directors to deal with the challenges the Company faces, the Company has set up a risk management and internal control system. The purpose of the risk management and internal control system is to enable the Company to meet its objectives.

The below sections provide an overview of the main actors in this framework and of the key risk areas to which the Company is exposed.

8.4.2 Control and Risk Governance

8.4.2.1 Board of directors

The board of directors determines the values and strategy of the Company, supervises and monitors the organization and execution thereof, decides on the risk profile and key policies of the Company, decides on the executive management structure and determines the powers and duties entrusted to the executive management (see also section 8.5 ***"Board of directors"***).

The board of directors has installed a number of committees to assist the board with the analysis of specific issues. These committees advise the board on the relevant topics, but the decision authority remains with the board of directors as a whole. In particular as part of the risk management and internal control framework, the board of directors has established an Audit and Risk Committee in accordance with the relevant legal requirements.

8.4.2.2 Audit and Risk Committee

The principal tasks of the Audit and Risk Committee (see also section 8.5 ***"Board of directors"***) include regularly convening to assist and advise the board of directors with respect to the monitoring of the financial reporting by the Company and its subsidiaries, the monitoring of the effectiveness of the systems for internal control and risk management of the Company, monitoring of the internal audit and its effectiveness, monitoring of the statutory audit of the annual accounts and the consolidated accounts including follow-up on questions and recommendations of the statutory auditor and assessment and monitoring of the independent character of the statutory auditor, taking into account the delivering of additional services to the Company.

The Audit and Risk Committee is composed of three members, including two independent directors of the Company, of whom one is the chairman. All members are non-executive directors, and contribute broad experience and skills regarding financial items. The chairman of the Audit and Risk Committee reports on the matters discussed in the Audit and Risk Committee to the board of directors after each meeting and presents the recommendations of the Audit and Risk Committee to the board of directors for decision-making.

8.4.2.3 Treasury

The Treasury department's general objective is to support the Company to grow and invest. The Company needs to have access to sufficient cash resources to meet its financial obligations as they fall due, including supplier payments, taxes, debt repayments and provide funds for capital expenditures and investment opportunities as they arise, in addition to potential shareholder disbursements including dividends and/or share buy-backs. On an ongoing basis, the Treasury department monitors the leverage targets for the Company at a consolidated level and compliance therewith under the 2018 Amended Senior Credit Facility. The Treasury department continuously monitors financial conditions in the capital markets, closely assessing demand, supply and credit spreads, and when possible opportunistically analyzes the capital markets.

The Treasury department is responsible for hedging the underlying foreign currency and floating interest rate exposure. The Company takes a risk-adverse approach to non-functional currency exposure with a strong focus on reducing the cash impact of foreign exchange rate fluctuations. As for the floating interest rate exposure, the Company aims to reduce future interest rate volatility and will therefore generally fully hedge its exposure as part of a (re)financing transaction.

Ultimately, the Company's Treasury department drafts the cash flow planning and invests the Company's cash and cash equivalents as per Company's treasury policy. Such policy is discussed, reviewed and approved by the Company's Audit and Risk Committee. To execute and manage these investments, the Company only engages with highly-rated international financial institutions and only invests in triple-A rated money market funds.

8.4.2.4 Risk and Compliance

The Risk and Compliance department helps the Company achieve its mission by providing support, advice and reasonable assurance to manage risks and improve operations. In particular the Risk and Compliance department helps the Company accomplish its objectives by bringing a risk-focused, pragmatic and systematic approach to the management of risks, compliance and evaluation of governance and business processes. As such, the department supports the Audit and Risk Committee in its oversight of the Company's operational, financial, compliance and strategic risks.

Within the Risk and Compliance department, the SOX team ensures local coordination and testing of the framework to manage internal controls over financial reporting ("ICoFR", see also section 8.4.3.2 ***"Financial reporting risks"***).

The Compliance function focuses on the execution of the corporate compliance program including among others identification of key company policies and their owners, communication and publication of policies, organization of awareness campaigns and training sessions and implementation of controls to ensure policy compliance (see also section 8.4.3.3 ***"Compliance risks"***).

The Enterprise Risk Management ("**ERM**") team assists management in identifying, assessing and managing the key risks that are threatening the Company's strategic and operational objectives (see also section 8.4.3.4 ***"Other enterprise risks"***). The team also coordinates and supports the internal audit activities performed by Liberty Global, and follows up on the progress of the open audit findings (see also section 8.4.2.5 ***"Internal audit"***).

For some specific risk areas (e.g. revenue assurance and fraud), the Risk & Compliance department assists the business in the identification and mitigation of related risks and monitors the related control environment. In addition, internal control reviews are performed to identify gaps in the internal control environment and to support the remediation of these gaps

On a quarterly basis, the Risk and Compliance department reports on the progress and results of the above activities to the SLT and the Audit and Risk Committee.

Apart from the Risk and Compliance department, specific teams have been set up to oversee, coordinate and facilitate risk management activities within other risk areas (e.g. privacy, business continuity and cyber security). The Risk and Compliance department supports these decentralized teams and ensures that risks and controls are assessed in a consistent manner throughout the Company.

8.4.2.5 Internal audit

Following the decision of the board of directors of July 29, 2014, and with effect as from 2015, the internal audit function is being performed by the independent internal audit department of Liberty Global. Based on a quality survey and benchmark with other audit firms, it was decided by the Audit and Risk Committee on July 29, 2019 to prolong the internal audit mandate of Liberty Global for one year. Such benchmark is performed on an annual basis.

A risk-based internal audit plan, focusing on significant risk areas, is proposed annually by Liberty Global's internal audit and approved by the Company's Audit and Risk Committee. This internal audit plan is established on the basis of the Telenet Risk Assurance Map (which provides an overview of The Company's risk universe and the related risk management coverage and results) and a meeting with all members of the SLT as well as on items raised by the Audit and Risk Committee, the board of directors, and Liberty Global's internal audit itself. The audit plan is executed by Liberty Global's internal audit.

The internal auditor does not only report issues, but also provides the Company with information on the level of effectiveness of controls, formulates recommendations, and triggers the start of action plans for items that require improvement. The follow-up of these action plans until closure is performed by the Risk and Compliance department. Liberty Global's internal audit performs the final validation before the action plans are actually closed.

On a quarterly basis, the Liberty Global internal audit team reports on the progress and results of the above activities to the Audit and Risk Committee.

8.4.2.6 External audit

The general shareholders' meeting of April 26, 2017 reappointed KPMG Bedrijfsrevisoren CVBA ("KPMG") as statutory auditor of the Company for a period of three years.

On a quarterly basis KPMG reports on the progress and results of their audit procedures (including accounting and review issues, and misstatements) to the Audit and Risk Committee. In addition, KPMG herewith also reports on their independence and on any non-audit fees (which require pre-approval from the Audit and Risk Committee).

8.4.3 Risk Areas

8.4.3.1 Financial risks

8.4.3.1.1 Credit risk

Credit risk encompasses all forms of counterparty exposure, i.e. where counterparties may default on their obligations to the Company in relation to lending, hedging, settlement and other financial activities. The Company is exposed to credit risk from its operating activities and treasury activities.

For further information, we refer to note 5.3.2 to the consolidated financial statements of the Company.

8.4.3.1.2 Liquidity risk

The principal risks to the Company's sources of liquidity are operational risks, including risks associated with increased competition, decreased pricing, reduced subscriber growth, increased marketing costs and other consequences of increasing competition, new regulations and potentially adverse outcomes with respect to the Company's litigations as described in note 5.26.1. Telenet's ability to service its debt and to fund its ongoing operations depends on its ability to generate cash. Although the Company anticipates generating positive cash flow after deducting interest and taxes, the Company cannot assure that this will be the case. The Company may not generate sufficient cash flow to fund its capital expenditures, ongoing operations and debt obligations.

For further information, we refer to note 5.3.3 to the consolidated financial statements of the Company.

8.4.3.1.3 Market risk

The Company is exposed to market risks relating to fluctuations in interest rates and foreign exchange rates, primarily between the US dollar and euro. The Company uses financial instruments to manage its exposure to interest rate and foreign exchange rate fluctuations.

For further information, we refer to note 5.3.4 to the consolidated financial statements of the Company.

8.4.3.1.4 Capital risk

The Company manages its capital to ensure that the Company and its subsidiaries will be able to continue as a going concern in order to provide sustainable and attractive returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

For further information, we refer to note 5.3.5 to the consolidated financial statements of the Company.

8.4.3.2 Financial reporting risks

Liberty Global, the majority shareholder of the Company, is subject to the requirements of the US Sarbanes-Oxley Act of 2002 ("**SOX**"). The Company has been part of Liberty Global's assessment of ICoFR since 2008, and has not reported any material weaknesses.

As part of Liberty Global's compliance with the SOX legislation, Liberty Global reviews its scoping for ICoFR purposes at various times throughout the year to determine whether additional risks or controls need to be evaluated and assessed at the Company. In addition, for every change in products, services, processes and systems, the impact on management's broader control framework is formally assessed by the Company and appropriate action is taken. A formal monitoring process is in place for ICoFR: a periodic management self-assessment on design and control effectiveness based upon the frequency of the control, a self-assessment validation and a direct testing cycle by the risk and compliance department, Liberty Global's internal audit and group compliance.

The accounting principles used by the Company, and each change thereof, are presented to the Audit and Risk Committee and approved by the board of directors.

8.4.3.3 Compliance risks

The Company applies a risk based approach for compliance. Every domain (i.e. policy) is given a priority score based on the current risk level and current mitigating measures. Based on this priority score, the compliance roadmap for 2019 - 2020 was defined. The Compliance team ensures that each compliance domain (i.e. policy) is assigned to an owner. Responsibilities of these policy owners and other key compliance stakeholders (Legal, Regulatory and SLT members) have been recorded in a compliance 'Roles & Responsibility' matrix.

The Compliance team ensures that new or updated policies are approved and supports the policy owner with the communication and publication of the policy and organization of training and awareness campaigns. The Code of Conduct and several other key company policies are published on the Company's intranet. Every employee is expected to follow the principles and guidelines provided in the Code of Conduct and other company policies (e.g. anti-corruption guidelines, travel & expense policy, dealing code, Chinese walls guidelines etc.). To ensure compliance with these company guidelines, controls and metrics are put in place. Monitoring hereon is performed to measure the level of compliance and to define corrective actions if needed. In addition, the Compliance team is also responsible for the Whistleblower process that allows employees to report improper conduct such as violations of the Code of Conduct or any applicable company policy. Complaints can be reported in confidence via a telephone line or a reporting website and employees can remain anonymous if requested. All complaints received through the telephone line or reporting website are handled by the Compliance team in consultation with the chairman of the Audit and Risk Committee.

8.4.3.4. Other enterprise risks

The Company has a specific program in place to identify, assess and monitor the key risks that are threatening its strategic and operational objectives. Together with the SLT members, key strategic risk areas are prioritized as part of this program. Each of these risk areas is owned by an SLT member. The ERM team assists the SLT owner in identifying and assessing the key underlying risk drivers and in identifying or defining mitigation initiatives to further improve the risk coverage if required.

In 2018, the Company identified the following 5 key enterprise risks, : (i) Market Dynamics, (ii) Business Transformation and Programs, (iii) Security and Resilience, (iv) Customer Experience and (v) Laws and Regulations. In 2019, these prioritized risks have been further monitored and the following additional enterprise risks have been assessed as well: (i) Talent and Culture, (ii) Supply Chain and (iii) Strategy, Planning, Information and Communication. The 5 prioritized risks are detailed below.

8.4.3.4.1 Market Dynamics

Telenet operates in a highly volatile environment which is characterized by amongst others the following factors: constant and rapid technology changes, evolving customer behavior (e.g. changes in the customers' television viewing preferences and habits, triggering cordcutting), strong existing and emerging/new competition (from telecom operators and other companies), product convergence, regulatory changes, events that are outside of our control, such as political unrest in international markets, terrorist attacks, malicious human acts, natural disasters, pandemics or epidemics (such as the coronavirus (COVID-19) - refer to 8.4.3.5 for more information) and other similar events. Telenet needs to identify, monitor and respond to these factors in order to remain competitive in the telecommunications and entertainment market.

Telenet is constantly looking for innovative ways to offer products and provide services that respond to the needs of its customers (residential, business, wholesale) and to stimulate innovation in the broadest sense. The Telenet strategy team defines and drives the strategic agenda of the Company in order to ensure long-term success of the company. This is done by identifying and analyzing major strategic challenges and opportunities and by prioritizing strategic themes. In addition the competitive environment across the industries and footprint in which the Company operates or aims to operate, is closely monitored to allow the Company to timely and properly respond to significant competitive changes.

Long-term market trends and strategic projects are translated into shorter term projects and actions, which are further underpinned by in-depth customer insight analysis to measure the customer expectations. These drive the further elaboration of Telenet's product portfolio and service delivery to ensure that the connectivity and entertainment products and services offered respond to the (changing) customer needs. The Company also continuously invests in its fixed and mobile networks in order to optimally serve its customers, taking into consideration the customers' continuously growing data needs.

Apart from the more traditional telecommunication products and services, Telenet is constantly looking for and investing in new growth opportunities (e.g. IoT) and innovation initiatives (e.g. The Park) in order to stay ahead in the very competitive market. Where needed, the company looks for acquisition opportunities and/or enters into strategic partnerships to further drive Telenet's ambitions.

Telenet also enjoys a robust financial profile with €101.4 million of cash and cash equivalents at the end of December 2019. Following the successful refinancing of both its € and USD-denominated Term Loans in January this year, Telenet faces no debt amortizations - excluding short-dated commitment under its vendor financing program - prior to March 2028. Furthermore, all of Telenet's floating-rate debt has been fully hedged until the end of the maturity, underpinning its solid financial profile.

8.4.3.4.2 Business Transformation and Programs

Telenet continuously undertakes significant initiatives to change the Company's systems, products, processes and organizational structures in order to achieve its strategic and operational objectives. This is realized through the delivery of significant capital expenditure programs. If these programs are not appropriately managed, strategic business objectives may not be met and the Company may incur unnecessary costs.

To ensure such programs are properly managed, Telenet has traditionally put in place a robust project governance framework, consisting of a strong project methodology and supported by layered project forums and a dedicated project portfolio management office working together with divisional project management offices as a virtual team. However, as the environment in which Telenet operates is becoming more and more complex, volatile and uncertain, a fundamental change was needed within the working environment in order to respond better and faster to the changing environment, and to increase efficiency and effectiveness by breaking down silos. To this end, an organization-wide program was launched in 2019 in order to transform the Company into an agile organization. This transformation program kicked off in early 2019 with two pilot "tribes", which were extended towards the Residential organization in mid 2019, followed by a further company-wide scale-up to other relevant departments. The scale-up aims to be implemented as from the second quarter of 2020.

In order to ensure that the risks related to this agile way of working are timely and properly identified and assessed, the Risk and Compliance department has implemented a new "risk by design" methodology, whereby experts from the key risk areas (ICoFR, revenue/fraud, privacy, legal, regulatory, security, etc) are actively involved in the agile activities across Telenet. This new methodology aims to ensure that the agile activities remain within the risk boundaries as set by the risk experts. The methodology complements the project risk screening process which remains in place to identify and assess risks related to the more traditional projects.

8.4.3.4.3 Security and Resilience

Telenet has a significant amount of information which is crucial to the organization. The integrity, availability and confidentiality of this information might be threatened by hazards such as cyber-attacks, malware etc. In addition, there are many hazards that could significantly interrupt the Company's services to its customers or the continuity of its business. Telenet's networks, systems and physical assets may be exposed to external (cyber) attacks or other threats. Failure to prevent or timely detect and effectively respond to the impact of such hazards, could lead to service interruption, loss of customer data or unauthorized access to commercially sensitive information.

In order to properly manage these risks, the Company has established a dedicated cyber security team and a business continuity management team. In-depth proactive security testing is performed, as well as detective penetration testing, vulnerability scanning and ethical hackings. Dedicated cyber security audits are performed and a security incident & event monitoring tool is in place to timely identify potential security breaches. When needed, alerts are generated which are monitored on a 24/7 basis. The Company has also implemented TIM ("Telenet Identity Management") to support authorized user management and automate access request management and periodic access rights certification for key applications. In addition a privileged access management solution has been implemented, which secures and monitors all privileged accesses to the Company's systems, and a dedicated tool is used for full database logging on the key databases. During 2019, the Company also launched an enhanced supplier risk assessment process to ensure that cyber security and business continuity risks, as well as other risks related to (new) suppliers, are properly identified and managed throughout the supplier life cycle.

From business continuity perspective, resilient networks and systems have been built and are periodically subject to high availability testing. Further, periodic business impact analyses and risk assessments are performed across the entire Company.

8.4.3.4.4 Customer Experience

Delivering an amazing customer experience throughout all steps of the customer journey is an important strategic pillar for the Company. Failure to deliver a superior and differentiated experience to the customers (e.g. through inferior products or poor service, or as a result of mismanaged expectations (e.g. on prices or loyalty)) will damage the Company's customer relationships and adversely impact the Company's brand and business growth.

To this end, a dedicated customer journey design and management team has been established. Customer journey managers assess if customer experience is properly taken into consideration throughout the Company's key processes. Customer journey design is embedded in the Company's project governance to ensure that the customer's perspective is timely and properly considered in all projects, and has been extended to the related agile activities. In addition, the continuous attention for delivering a strong customer experience has also been reflected in the new organizational structure as part of the aforementioned agile transformation.

Customer experience related to the Company's products and services is constantly measured in order to timely identify pain points in the customer journey and to define further initiatives to restore or increase the customer experience. To keep sufficient focus on improving customer experience throughout the whole Company, the feedback from the customers is explicitly included in the Company targets.

8.4.3.4.5 Laws and Regulations

Telenet needs to comply with a multitude of local and international laws and regulations. These include but are not limited to customer registration, data privacy, telecom code, competition law, cable access regulation, anti-corruption, anti-money laundering, accounting and VAT laws, etc. Non-compliance with these laws and regulations exposes the Company to financial and reputational risk. See section 8.4.3.3 ***"Compliance risks"*** for a description on how these risks are managed within the Company.

Also, failure to adapt quickly and effectively to changes in the legal and regulatory environment might expose Telenet to the same financial and reputational risks. To this end, the Regulatory and Legal teams ensure that dedicated projects are set up when needed for the implementation of new laws and regulations. Both teams are also actively involved in the aforementioned agile risk by design process and project risk screening process to ensure that the legal and regulatory impact of the agile activities and more traditional projects is timely identified and assessed. When needed, legal and regulatory requirements are defined for incorporation in the agile activities or projects and are followed up till implementation.

8.4.3.5 Corona virus (COVID-19)

In view of the COVID-19 pandemic, Telenet has activated its crisis team which is following up on the evolution of the virus outbreak on a daily basis. Telenet also aligns its measures and communication with the advice of the Liberty Global Group Crisis Management Team.

In order to limit the impact on Telenet's operations, several precautionary measures have already been taken in the following domains:

- Employee safety (including travel restrictions, hygienic measures, extension of homeworking, etc)
- Supply Chain (including close monitoring of the deliveries at risk in order to avoid major hick-ups in our critical supply chain processes)
- Operational activities (including "splitting" of teams that are performing critical tasks in order to ensure continuous availability of these teams)

The Telenet crisis team evaluates on a daily basis if and to which extent additional measures need to be taken.

8.4.4 Assurance

Although the above measures are designed to address the risks inherent to the Company's business and operations to the extent practicable, the determination of the risk framework and the implementation of the control systems provide reasonable but not absolute certainty that these risks will be effectively mitigated.

8.5 Board of directors

8.5.1 Composition

a) General

On December 31, 2019, the board of directors of the Company was composed of 9 members. With the exception of the Managing Director (CEO), all directors are non-executive directors.

There are currently three independent directors within the meaning of article 7:87§1 (previously article 526ter) of the Belgian Code of Companies and Associations, the Belgian Corporate Governance Code 2020 and the articles of association of the Company: (i) IDw Consult BV (represented by its permanent representative Mr. Bert De Graeve), (ii) Ms. Christiane Franck, and (iii) JoVB BV (represented by its permanent representative Mr. Jo Van Biesbroeck).

These directors (as well as their permanent representatives) are considered independent directors since they all fulfill the independence criteria set out in the articles of association of the Company, the Belgian Corporate Governance Code 2020 and in article 7:87§1 (previously article 526ter) of the Belgian Code of Companies and Associations.

The mandate of Mr. Charles H. Bracken expires at the annual general shareholders' meeting of 2020. The mandate of Mr. John Porter expires at the annual general shareholders' meeting of 2021. The mandates of IDw Consult BV (represented by its permanent representative Mr. Bert De Graeve), Ms. Christiane Franck, Ms. Severina Pascu and Ms. Amy Blair expire at the annual general shareholders' meeting of 2022. The mandates of JoVB BV (represented by its permanent representative Mr. Jo Van Biesbroeck), Mr. Manuel Kohnstamm and Mr. Enrique Rodriguez expire at the annual general shareholders' meeting of 2023.

At the meeting of the board of directors of February 12, 2019, Mr. Diederik Karsten announced that he would resign as director of the Company with effect as of February 15, 2019.

Upon advice of the Remuneration & Nomination Committee, the board of directors will present the following proposal for approval to the annual general shareholders' meeting of 2020:

- the (re)appointment of Mr. Charles H. Bracken as director of the Company.

As of the general shareholders' meeting of April 25, 2012, Mr. André Sarens has been appointed as "observer" to the board of directors.

The directors have been appointed for a period of maximum four years. In principle, the mandate of the directors terminates at the date of the annual general shareholders' meeting at which time their mandate expires. The directors can be re-appointed.

The general shareholders' meeting (resolving by ordinary majority) can dismiss directors at any time.

If a mandate of a director becomes vacant, the board of directors can fill the vacancy, subject to compliance with the rules of nomination. At the next general shareholders' meeting, the shareholders shall then resolve on the definitive appointment, in principle for the remaining term of the mandate of the director who is being replaced.

Except for exceptional, motivated cases, the mandate of the directors shall terminate at the first annual shareholders' meeting after they have reached the age of 70.

On December 31, 2019, the board of directors of the Company was composed as follows:

Name	Function	Nominated by
Bert De Graeve (IDw Consult BV)	Director of companies	Independent director - CM
Jo Van Biesbroeck (JoVB BV)	Director of companies	Independent director
Christiane Franck	Director of companies	Independent director
John Porter	Chief Executive Officer & Managing Director Telenet	
Charles H. Bracken	Executive Vice President & Chief Financial Officer of Liberty Global	Liberty Global Group
Enrique Rodriguez	Executive Vice President & Chief Technology Officer of Liberty Global	Liberty Global Group
Amy Blair	Senior Vice President & Chief People Officer of Liberty Global	Liberty Global Group
Manuel Kohnstamm	Senior Vice President & Chief Corporate Affairs Officer of Liberty Global	Liberty Global Group
Severina Pascu	Chief Financial Officer and Deputy Chief Executive Officer of Virgin Media	Liberty Global Group

CM: Chairman

Mr. Bart van Sprundel, Director Legal Affairs at the Company, acts as company secretary of the board of directors and its committees.

b) Diversity

The Company strives for diversity within the board of directors, creating a mix of executive directors, non-executive directors and independent directors, their diverse competences and experience, their ages and nationality and their specific knowledge of the telecommunications and media sector.

At December 31, 2019, the board of directors included three female members: Ms. Christiane Franck, Ms. Amy Blair and Ms. Severina Pascu. At present, Telenet is in line with the gender composition requirements.

c) Biographies of directors

The following paragraphs set out the biographical information of the members of the board of directors of the Company as of December 31, 2019 as well as the members who are nominated for appointment, or whose appointment should be confirmed at the next general shareholders' meeting, as well as information on other director mandates held by the members of the board of directors of the Company.

John Porter, Chief Executive Officer and Managing director (°1957)

For the biography of Mr. Porter, we refer to section 8.6 c) of this Statement.

Bert De Graeve, chairman of the board of directors and independent director (representing IDw Consult BV) (°1955)

Bert De Graeve started his career in 1980 with Arthur Andersen & Co and joined Alcatel Bell in 1982. In 1991, he became General Manager Shanghai Bell Telephone Equipment Mfg. Cy in Shanghai. In 1994, he was appointed Vice President, Director Operations, Alcatel Trade International and later Director International Affairs, Alcatel Alstom in Paris. In 1996, he became Managing Director of the Flemish Public Radio & TV Broadcaster (VRT) and joined Bekaert in 2002 as CFO, to become CEO from 2006 on and chairman from 2014 till 2019. Bert De Graeve holds a Master in Law from the University of Ghent (1980), studied Financial Management at IPO (Antwerp) and became Master in Tax Management at VLEKHO (Brussels). Bert De Graeve is also Chairman of the Board of Directors of Sibelco NV, Independent Director of UCB, independent director of Euroclear Holding and Member of the Board of the Concours Reine Elisabeth.

Jo Van Biesbroeck, independent director (representing JoVB BV) (°1956)

Up to 2015, Jo Van Biesbroeck has been Chief Strategy Officer and Chief International Business Development of Anheuser-Busch InBev SA/NV (formerly known as InBev SA and Interbrew) where he also started his career in 1978. Anheuser-Busch InBev is the world's leading brewer and is amongst the world's top five companies operating consumer goods. Mr Van Biesbroeck held various positions in controlling and finance and was Senior Vice-President of Corporate Strategy, Chief Business Development Officer, Chief Strategy and Business Development Officer, Chief Sales Officer, and Zone President Western Europe in that order. As of September 1, 2015, Jo Van Biesbroeck is manager and member of the board of RSC Anderlecht. As of April 1, 2020, Mr. Van Biesbroeck will only be member of the board of RSC Anderlecht. Jo Van Biesbroeck obtained a Master's degree in Economics at the Roman Catholic University of Leuven. He is chairman of the board of directors of Matexi Group. Furthermore, he serves as an independent and non-executive director of Etex nv, Inno.com and the investment company SFI and various non-profit organizations including the ACF cancer fund, Kick cancer fund and Franklinea fund in Swiss. He is also Chairman of Audit and Remuneration Committees. Additionally, Mr. Van Biesbroeck is Chairman of the Strategic Committee of Puratos and Chairman of EIT Food iVZW.

Ms. Christiane Franck, independent director (°1951)

Until February 2017 Christiane Franck has been CEO (2005-2017) of Vivaqua in Brussels where she also started her career. At Vivaqua, she consecutively held the positions of ICT Manager, Commercial Manager of Distribution and Secretary General. Vivaqua, specializing in water production and distribution, serves over two million inhabitants throughout Belgium through close cooperation with the public authorities at local, regional and federal level. Christiane Franck brings a strong level of service company experience to Telenet. Christiane Franck has a Masters in Mathematics from the University of Brussels (ULB) and served as a member of the board of the ULB until 2018. She serves as member of the advisory committee of Ethias Mutual Insurance Company and is a member of the board of Artsen Zonder Vakantie of which she became vice-chairwoman in 2019. Furthermore, Ms. Franck is Chairwoman of Hydralis, one of the largest Belgian pension funds. Since 2018, Christiane Franck is Chairwoman of NV Virteo.

Charles H. Bracken, director (°1966)

Charles Bracken is Executive Vice President and Chief Financial Officer for Liberty Global with responsibility for Group Finance and Treasury operations, including tax and financial planning, procurement, and property as well as capital allocation and finance operations of Telenet's largest operations, and overseeing its accounting, external reporting and Investor Relations functions. He is responsible for overseeing Liberty Global's business plan and its focus on customer support systems. He is an executive officer of Liberty Global and sits on the Executive Leadership Team and the Investment Committee.

Manuel Kohnstamm, director (°1962)

Manuel Kohnstamm is Senior Vice President and Chief Corporate Affairs Officer for Liberty Global. He is responsible for developing and implementing Liberty Global's regulatory strategy, public policy, government affairs and corporate communications. Mr. Kohnstamm is an executive officer of Liberty Global and sits on Liberty Global's Executive Leadership Team and the Regulatory Committee.

Mr. Kohnstamm joined the Europe operations of Liberty Global's predecessor in September 1999 and held several positions in corporate affairs, public policy, and communications. He was appointed to his current position in January 2012. From 1992 until he joined Liberty Global, Mr. Kohnstamm worked at Time Warner Inc., most recently as Vice President of Public Affairs in Brussels for its subsidiaries Time Inc., Warner Bros., and Turner Broadcasting. Prior to joining Time Warner, Mr. Kohnstamm worked with the consulting group European Research Associates in Brussels where he conducted macro-economic and policy studies on the telecommunications and defense industries.

Mr. Kohnstamm is a member of VodafoneZiggo's Supervisory Board as well as a member of the Board of Directors of Liberty Global's subsidiary Telenet Group Holding NV, a Liberty Global subsidiary and a Belgian public limited liability company.

Mr. Kohnstamm is Co-chair of GIGAEurope, an industry association bringing together independent private telecoms companies. In addition, Mr. Kohnstamm is a trustee of the non-profit organization Street Child, a charitable organization focused improving the lives of some of the poorest and most vulnerable children in the world.

Mr. Kohnstamm graduated in Political Science and holds a Doctorandus Degree in International and European Law from the University of Amsterdam. He also holds a Postgraduate Degree in International relations from the Clingendael Diplomat School in The Hague, and successfully completed the Cable Executive Management Program from Harvard Business School, Boston (MA).

Severina Pascu, director (°1972)

Severina Pascu is the Chief Financial Officer and Deputy Chief Executive Officer of Virgin Media. In this capacity she is responsible for the finance function at Virgin Media, as well as customer service, field operations, logistics and supply chain.

Prior to that, she served, since September 2018, as Chief Executive Officer (CEO) for Liberty Global's business in Switzerland ("UPC Switzerland"). Before that, she was Chief Operating Officer (COO) for Central Europe, in addition to her role as Managing Director of Liberty Global Central Eastern Europe, which she had held since 2015. Severina joined the company in 2008 as Chief Financial Officer (CFO) for UPC Romania and was then appointed CEO - first for Romania and later for Hungary as well.

Prior to that, she held a number of senior management positions in leading international companies. Between 2005 and 2008, she was manager of CAIB Romania, one of the main investment banks in Central Europe. Between 2000 and 2005, Severina was a member of the management of the American cable telecommunications company Metromedia International. A graduate of the Bucharest Academy of Economic Studies, she began her career in 1996 at KPMG Romania and then worked for the company in Great Britain.

Amy Blair, director (°1966)

Amy Blair is Senior Vice President and Chief People Officer for Liberty Global. In this capacity, she is responsible for the global people function, including developing and implementing programs and policies which address employment and retention, compensation and benefits, organizational structure, talent and development, employee engagement, and compliance.

Since 1991, Ms. Blair has held numerous key operational and human resource management positions with Liberty Global and its predecessor companies. From 1999 to 2006, Amy was based in Amsterdam where she served as Vice President of Operations Management and then as Managing Director of Human Resources for the European operations. Ms Blair is an executive officer of Liberty Global and sits on Liberty Global's Executive Leadership Team.

In 2013, Amy was inducted as Woman of the Year by Women in Cable Television Rocky Mountain Chapter, and became a member of the National Board for Women in Cable Television in January 2015.

Amy Blair holds a Bachelor of Arts from The Colorado College and a Masters of Business Administration from the University of Denver.

Enrique Rodriguez, director (°1962)

Enrique Rodriguez is the Executive Vice President & Chief Technology Officer of Liberty Global, the world's largest international TV and broadband company, joining the company in July of 2018. Prior to this role, Enrique served as the President and Chief Executive Officer and a member of the Board of Directors of TiVo. Before becoming CEO, Enrique was Executive Vice President and Chief Technology Officer of AT&T Entertainment Group from August 2015 to November 2017. From January 2013 to July 2015, he served as Executive Vice President, Operations and Products for Sirius XM and was Group Vice President of Sirius XM from October 2012 to January 2013. Prior to his employment with Sirius XM, Enrique was the Senior Vice President and General Manager of Cisco Systems' Service Provider Video Technology Group. Enrique also held various executive positions at Microsoft from 2003 to 2010, including Corporate Vice President for the TV Division and as Vice President of Xbox Partnerships. Prior to joining Microsoft, Enrique spent over 20 years at Thomson/RCA in a variety of engineering and executive roles where he was awarded over 25 U.S. patents and international derivatives. Enrique holds a B.S. in electrical engineering from Mexico's Instituto Tecnologico de Monterrey.

André Sarens, observer (°1952)

André Sarens has served as a director of the Company from December 2003 until April 2012. Since April 2012, he has been appointed as observer to the board of directors. Mr. Sarens was until October 2017 Grid Participations Manager at Engie, having previously held numerous senior finance and administration positions related to Engie Electrabel's utility service distribution activities in Belgium. In these capacities, he has represented Electrabel and the mixed intermunicipalities in their business dealings with Telenet from 1999. Mr. Sarens served on the board of directors of several of the mixed intermunicipalities in Belgium, and held several board positions in Engie Electrabel affiliates such as Electrabel Green Projects Flanders and Electrabel Customers Solutions.

8.5.2 Functioning of the board of directors

The board of directors pursues sustainable value creation by Telenet, by setting Telenet's strategy, putting in place effective, responsible and ethical leadership and monitoring Telenet's performance. In order to effectively pursue such sustainable value creation, the board of directors upholds an inclusive approach that balances the legitimate interests and expectations of shareholders and other stakeholders, such as customers, employees, and in general the community in which Telenet is active. The board of directors further advises, supports and monitors the Senior Leadership Team in the fulfillment of its duties and constructively challenges the Senior Leadership Team whenever appropriate. The board members are available to give advice, also outside of board meetings.

Telenet has opted for a "one-tier" governance structure. As a result, the Board is authorized to perform all actions which are necessary or useful for fulfilling the corporate purpose of Telenet, except for those matters which are expressly reserved to the general shareholders' meeting by law, or as specified in the articles of association. In particular, the board of directors represents Telenet and executes the responsibilities entrusted to it by law including, but not limited to, with respect to the budget, important commercial contracts, co-operations and acquisitions, accounting rules, approval of the periodic financial reporting, financing transactions, issuing proposals to the general shareholders' meeting, and external communication to shareholders and other stakeholders. For further details in this respect, reference is made to the Corporate Governance Charter 2020.

The board of directors convenes as often as the interest of the Company requires, sufficiently regularly to perform its duties effectively, and in any case at least four times a year. The functioning of the board of directors is regulated by the articles of association and the provisions of the Corporate Governance Charter.

The board of directors is assisted by two permanent committees: (i) the Audit and Risk Committee, and (ii) the Remuneration and Nomination Committee. In addition, the Board can, on an ad hoc basis set up specialized committees in order to advise the board of directors in respect of decisions to be taken, to give comfort to the board of directors that certain issues have been adequately addressed and, if necessary, to bring specific issues to the attention of the board of directors. The existence of the committees does not decrease the responsibility of the board of directors as a whole and the committees do not have the power to take binding decisions, as the decision making remains the collegial responsibility of the board of directors, nor shall the committees formulate Telenet's strategy.

In the year ended December 31, 2019, six scheduled board of directors meetings and three non-scheduled board of directors meetings took place.

In principle, the decisions are taken by a simple majority of votes. However, the board of directors strives to take the resolutions by consensus.

In accordance with the Corporate Governance Charter, the directors have a duty to place Telenet's interests above their own and will avoid to perform any actions, to defend certain positions, and to pursue certain interests, if this would conflict, or would give the impression to conflict, with the interests of Telenet. When the board of directors takes a decision, the directors shall disregard their potential personal interests and refrain from using business opportunities intended for Telenet for their own benefit.

Board members are required to inform the board of directors of any conflict of interests that could in their opinion affect their capacity of judgment. In particular, at the beginning of each board or committee meeting, the board members declare whether they have any conflict of interests regarding the items on the agenda. Each board member is, in particular, attentive to conflicts of interests that may arise between the Company, its board members, its significant or majority shareholder(s) and other shareholders.

In the possible case of a conflict of interest of a financial nature falling within the meaning of article 7:96 of the Belgian Code of Companies and Associations, the relevant director shall take no part in any deliberations or voting related thereto. Any abstention from voting as a result of a conflict of interest will be disclosed in accordance with the relevant legal provisions. If the conflict does not fall within the scope of article 7:96 of the Belgian Code of Companies and Associations, the board of directors will decide, under the lead of its chairman, which procedure it will follow to protect the interests of the Company and all its shareholders. In the next annual report, the board of directors will explain why this procedure was chosen. In the event of a substantial conflict of interests, the board of directors will consider communicating as soon as possible on the procedure followed, the most important considerations and the conclusions.

In 2019, article 7:96 (previously article 523) of the Belgian Code of Companies and Associations was applied once. In 2020, article 7:96 (previously article 523) of the Belgian Code of Companies and Associations has so far been applied once. More information can be found in section 8.5.6 of this Statement.

The members of the board further look after the interests of all shareholders on an equivalent basis and are required to act according to the principles of reasonableness and fairness. Considering that the majority of Telenet shares are held by the Liberty Global Group, the board of directors makes considered use of its position and takes special care to prevent conflicts of interests and to respect the rights and interests of minority shareholders. Any proposed related party transaction or arrangement falling within the scope of article 7:97 of the Belgian Code of Companies and Associations shall be submitted to a committee of three independent directors in accordance with such article and shall only be entered into after review by the committee of independent directors provided in article 7:97 of the Belgian Code of Companies and Associations.

8.5.3 Evaluation of the board of directors

Upon initiative of the chairman, the board of directors assesses its efficiency at least every three years in order to achieve possible improvements in its own performance and its interaction with management. In this respect, particular attention is paid to:

(i) the size, composition and functioning of the board of directors and its committees;

(ii) the thoroughness with which material subjects and decisions are prepared and discussed;

(iii) the actual contribution of each director in terms of presence at the board of directors and/or committee meetings and the constructive involvement in the deliberation and resolutions;

(iv) the application of the corporate governance rules within Telenet and its bodies.

The evaluation exercise is usually performed by means of a questionnaire, to be filled out by all board members. The completed questionnaires are collected by the company secretary, and the results thereof are presented to the Remuneration & Nomination Committee and the board of directors. The last evaluation took place in February 2018, and the board of directors of April 2018 assessed and discussed the results of the same.

In addition, the board of directors applies a transparent procedure through which, at the end of each board member's term, the Remuneration and Nomination Committee evaluates the board member's presence at the board and/or committee meetings, their commitment and their constructive involvement in discussions and decision-making. The committee hereby also assesses whether the contribution of each board member is adapted to changing circumstances.

Once a year, the non-executive directors also make an evaluation of their interaction with the SLT, whereby they meet in the absence of the executive directors and the management of the Company.

Finally, given the increasing impact and importance of corporate social responsibility and sustainability on Telenet's business, the board of directors decided in 2013 that the design, implementation and monitoring of Telenet's corporate and social responsibility program would be discussed and approved at full board level. The board of directors also formally reviews and approves the Company's sustainability report and ensures that all material aspects are covered. On July 30, 2019, Telenet formally approved the Sustainibility Report 2018.

The board of directors undertakes to act on the results of the performance evaluations. Where appropriate, this will involve proposing new board members for appointment, proposing not to re-appoint existing board members or taking any measure deemed appropriate for the effective operation of the board.

8.5.4 Board Committees

In accordance with the relevant legal requirements, the board of directors has established an Audit and Risk Committee and a Remuneration and Nomination Committee. On December 31, 2019, the two board committees were composed as follows:

Name	Audit and Risk Committee	Remuneration and Nomination Committee
Bert De Graeve (IDw Consult BV)		CM
Jo Van Biesbroeck (JoVB BV)	CM	•
Amy Blair		•
Christiane Franck	•	
Severina Pascu	•	

CM: Chairman

The Audit and Risk Committee

The Audit and Risk Committee assists the Board in fulfilling its monitoring responsibilities in respect of control in the broadest sense, including risks. The primary tasks of the Audit and Risk Committee consist of:

- monitoring the financial reporting by the Telenet Group and making recommendations or proposals to ensure the integrity of the process;

- monitoring the consequent application of the accounting rules for the Telenet Group and the criteria for the consolidation of the accounts of the Telenet Group;

- monitoring the independent audit of the annual accounts and the consolidated accounts including follow-up on questions and recommendations of the statutory auditor;

- identification, monitoring and reviewing potential related party transactions, and ensuring compliance with Article 7:97 Belgian Code of Companies and Associations;

- the assessment and review of the disclosures with respect to internal audit and risk management, as included in the annual report;

- informing the board of directors of the results of the statutory audit of the annual accounts and the consolidated annual accounts and explain how the statutory audit of the annual accounts and the consolidated annual accounts has contributed to the integrity of the financial reporting and the role that the Audit and Risk Committee has played in this respect;

- monitoring the effectiveness of the systems for internal control and risk management of Telenet and, in case the internal audit function is outsourced, selection of the external professional audit firm that will take up the role as internal auditor, approval of the internal audit charter determining amongst others the composition, organisation, role, objectives, responsibilities and reporting of the internal audit function, monitoring of the internal audit and its effectiveness, taking into account whether such external professional audit firm has the necessary resources and skills adapted to Telenet's nature, size and complexity;

- the assessment and review of the independent character of the statutory auditor, in particular the assessment on whether the provision of additional services to the Telenet Group is appropriate. The Audit and Risk Committee hereby analyses together with the statutory auditor, the threats to their independence and the measures that have been taken to mitigate those threats, when the total fees for non-audit services are higher than the legally determined criteria. The Audit and Risk Committee further makes recommendations to the board of directors for the appointment of the auditor and determines the policy with respect to the non-audit services;

- the assessment and review of the arrangements in place according to which the staff members can express in a confidential way their concern about possible irregularities regarding the financial reporting or other matters within Telenet, as well as the proportionate and independent investigation of such matters and the appropriate follow-up actions. Such concerns can be addressed to the chair of the Audit and Risk Committee directly;

- the assessment and review of the systems for internal audit and risk management, as installed by the Senior Leadership Team (at least once a year), as well as the Senior Leadership Team's responsiveness to the findings of the internal audit function and to the recommendations made by the Audit and Risk Committee and in the external auditor's management letter; and

- the assessment and review of the installation and the functioning of an internal audit structure (amongst which making recommendations on the selection, (re)appointment or resignation of the head of internal audit and the selection and appointment of specialised external consultants and on the budget allocated thereto).

The Audit and Risk Committee reports regularly to the board of directors on the exercise of its duties and in any event when the board is preparing the annual accounts, the consolidated annual accounts, and the condensed financial statements intended for publication.

The Audit and Risk Committee is composed of three members, including two independent directors of the Company, of whom one is the chairman. All members are non-executive directors. One director is appointed upon nomination of Liberty Global.

All current members contribute broad experience and skills regarding financial items, which have a positive impact on the committee's operation. This composition conforms to article 7:99 §2 (previously article 526bis §1) of the Belgian Code of Companies and Associations within listed companies, and the Corporate Governance Code 2020.

The meetings of the Audit and Risk Committee are also attended by Mr. André Sarens in his capacity of observer to the board of directors. With regard to the competences of the members of the Audit and Risk Committee, particular reference is made to the biography of Mr. Jo Van Biesbroeck, chairman of Telenet's Audit and Risk Committee, in section 8.5.1 c) of this Statement. Further reference is made to the biographies of Ms. Severina Pascu and Ms. Christiane Franck, members of the Audit and Risk Committee, in section 8.5.1. c) of this Statement.

The Audit and Risk Committee meets sufficiently regularly to execute its duties effectively and at least four times a year. The Audit and Risk Committee also meets at least annually with the external auditor without the presence of the executive management.

Each year, the Audit and Risk Committee revises its internal regulation, evaluates its own efficiency and makes recommendations to the Board if changes are useful or required.

In the year ended December 31, 2019, the Audit and Risk Committee convened six times, to review and discuss the quarterly, semi-annual and annual financial statements before submission to the board of directors and, subsequently, publication. At all of these meetings, the external and internal auditors were invited in order to discuss matters relating to internal control, risk management and any issues arisen from the audit process. The Audit and Risk Committee further discussed and advised the board of directors about procedures for and monitoring of financial reporting to its majority shareholder Liberty Global.

The Company has established a whistleblowing procedure, which has been reviewed by the Audit and Risk Committee and approved by the board of directors. This procedure allows employees of the Company to report improper conduct such as improprieties in accounting, internal control or audit matters or violations of the Code of Conduct or any applicable company policy. Complaints can be reported in confidence via a telephone line or a reporting website and employees can remain anonymous if requested. Complaints received through the telephone line or reporting website are handled by the Compliance team in consultation with the chairman of the Audit and Risk Committee.

The chairman of the Audit and Risk Committee reports on the matters discussed in the Audit and Risk Committee to the board of directors after each meeting and presents the recommendations of the Audit and Risk Committee to the board of directors for decision-making.

The Remuneration and Nomination Committee

The principal tasks of the Remuneration and Nomination Committee with respect to remuneration include:

i. formulating proposals to the board of directors with respect to the remuneration policy of non-executive directors and executive management (and the resulting proposals to be presented by the board of directors to the shareholders);

ii. the remuneration policy for the Senior Leadership Team (and the resulting proposals to be presented by the board of directors to the shareholders) including with respect to the principal contractual provisions (e.g. pension and termination regulations), the relationship and balance between fixed and variable remuneration, the performance criteria, fringe benefits, and the granting of stock-based compensation;

iii. the individual remuneration of directors and members of the Senior Leadership Team, including variable remuneration and long-term incentive programs, whether or not related to securities, stock options or other financial instruments, as well as severance payments (and the resulting proposals to be presented by the Board to the shareholders), as well as the regular review thereof; and

iv. the annual review of the Senior Leadership Team's performance and on the realization of Telenet's strategy against agreed performance measures and targets.

The principal tasks of the Remuneration and Nomination Committee with respect to nomination include:

i. the periodical evaluation of the size and composition of the board of directors and making relevant recommendations to the board of directors with respect to changes thereto;

ii. the (re-)appointment of board members and the preparation of plans for the orderly succession of board members, as well as leading the (re-)appointment process of board members, including through (i) scouting for potential directors and submitting their applications to the board, (ii) elaborating an objective and professional (re)appointment procedure for directors, (iii) making recommendations with respect to candidate-directors and (iv) submitting the resulting proposals to be presented by the board to the shareholders;

iii. the appointment and succession of the members of the Senior Leadership Team, including the CEO, thereby also ensuring that appropriate talent development programs and programs to promote diversity in leadership are in place; and

iv. the recruitment and retention policies.

The Remuneration and Nomination Committee further prepares the remuneration report to be included in the corporate governance statement by the board of directors and the presentation of this remuneration report at the annual general shareholders' meeting.

The Committee is composed exclusively of non-executive directors and has three members. Two members are independent directors of the Company. The chairman of the board of directors also serves as chairman of the Remuneration and Nomination Committee. The members of the Committee have ample experience in remuneration matters, amongst others because they have taken up senior executive roles in large companies in other stages of their careers.

The Remuneration and Nomination Committee meets sufficiently regularly to execute its duties effectively and convenes at least twice a year. The CEO participates in the meetings of the committee in an advisory capacity when the committee discusses the remuneration of the other members of the SLT.

In the year ended December 31, 2019, the Remuneration and Nomination Committee met five times in the presence of the CEO (except for those matters where the CEO was conflicted). Among other matters, the Committee addressed the determination of the remuneration package of the CEO and the SLT, the composition of the different board committees, the design of the Long Term Incentive Plan ("LTI") and the granting thereof to the CEO, the SLT and a selected number of employees.

The chairman of the Remuneration and Nomination Committee reports on the matters discussed in the Remuneration and Nomination Committee to the board of directors after each meeting and presents the recommendations of the Remuneration and Nomination Committee to the board of directors for decision-making.

8.5.5 Attendance

The attendance overview of the board and committee meetings has been set out hereunder. In this overview, all meetings are presented (not solely the annual pre-scheduled meetings).

Name	Board of Directors (9)	Audit and Risk Committee (6)	Remuneration and Nomination Committee (5)
Bert De Graeve (IDw Consult BV)	9 of (9) CM		5 of (5) CM
John Porter	6 of (9)		
Jo Van Biesbroeck (JoVB BV)	9 of (9)	6 of (6) (CM)	5 of (5)
Christiane Franck	9 of (9)	6 of (6)	
Charles H. Bracken	8 of (9)		
Diederik Karsten*	N/A		
Manuel Kohnstamm	8 of (9)		
Enrique Rodriguez**	5 of (5)		
Severina Pascu	5 of (9)	2 of (6)	
Amy Blair	7 of (9)		4 of (5)
André Sarens (Observer)	9 of (9)	6 of (6)	

CM: Chairman
* Mr. Diederik Karsten resigned from the Board of Directors of Telenet Group Holding NV with effect from February 15, 2019.
** Mr. Enrique Rodriguez was appointed as director of Telenet Group Holding NV at the annual meeting of shareholders which took place on April 24, 2019.

8.5.6 Application of legal rules regarding conflicts of interest

8.5.6.1 Conflicts of interest in the meaning of article 7:96 of the Belgian Code of Companies and Associations / article 523 of the (former) Belgian Companies Code

During the meeting of the board of directors of February 12, 2019, article 7:96 (previously article 523) of the Belgian Code of Companies and Associations was applied.

At the meeting of February 12, 2019, the board of directors discussed, amongst other items, the determination of the bonus & merit for the CEO and the determination of the performance criteria 2018 under the Performance Share Plan 2016 for the SLT (including the CEO). The minutes of the meeting mention the following in this respect:

"Prior to the reporting on the discussions held within the Remuneration and Nomination Committee of February 11, 2019 and the deliberation and resolving on some of these items in particular (i) the determination of bonus & merit for the CEO and (ii) the determination of the performance criteria 2018 under the Performance Share Plan 2016 for the SLT (including the CEO), Mr. John Porter (CEO and Managing Director) informs the Board that he has a (potential) conflict of interest regarding these decisions in the meaning of Article 523 of the Belgian Companies Code.

Mr. John Porter declares that he will inform the Company's auditor on this conflict of interest. He then leaves the meeting for this specific agenda item. The Chairman also asks the other members of the Senior Leadership Team to leave the meeting with respect to the reporting of the Remuneration and Nomination Committee."

The Chairman of the Remuneration & Nomination committee reports on the discussions held on the determination of bonus & merit fo the CEO within the meeting of the Remuneration & Nomination Committee of February 11, 2019. The Committee decided:

- unanimously decides that the CEO will be awarded the maximum bonus of 150% of his annual remuneration, i.e. a bonus of 938,385 Euro; and
- unanimously advises the board of directors to approve this bonus amount for the CEO.

After discussion and taking into account the recommendation of the Remuneration & Nomination Committee, the Board decides to confirm, approve and endorse, the extent necessary, the bonus and merit attributed to the CEO.

The chairman of the Remuneration & Nomination committee reports on the discussions held on the achievement of the performance criteria 2018 under the Performance Share Plan 2016 for the SLT (including the CEO) within the meeting of the Remuneration & Nomination Committee meeting of February 11, 2019. The Committee decided:

- that the results of 2018 have resulted in an (over)achievement of the performance criteria under the Performance Share Plan (199%);
- to advise the board of directors accordingly.

After discussion and taking into account the recommendation of the Remuneration & Nomination Committee, the Board ratifies and confirms the same.

At the meeting of February 10, 2020, the board of directors discussed, amongst other items, the determination of the bonus & merit for the CEO. The minutes of the meeting mention the following in this respect:

"Prior to the reporting on the discussions held within the Remuneration and Nomination Committee of February 6, 2020 and the deliberation and resolving on some of these items in particular the determination of bonus & merit for the CEO, Mr. John Porter (CEO and Managing Director) informs the Board that he has a (potential) conflict of interest regarding this decision in the meaning of Article 7:96 (previously article 523) of the Belgian Code of Companies and Associations.

Mr. John Porter declares that he will inform the Company's auditor on this conflict of interest. He then leaves the meeting for this specific agenda item. The Chairman also asks the other members of the Senior Leadership Team to leave the meeting with respect to the reporting of the Remuneration and Nomination Committee."

The Chairman of the Remuneration & Nomination committee reports on the discussions held on the determination of bonus & merit of the CEO within the meeting of the Remuneration & Nomination Committee of February 6, 2020. The Committee decided:

- unanimously decides that the CEO will be awarded the maximum bonus of 150% of his annual remuneration, i.e. a bonus of 948,591 Euro; and
- unanimously advises the board of directors to approve this bonus amount for the CEO.

After discussion and taking into account the recommendation of the Remuneration & Nomination Committee, the Board decides to confirm, approve and endorse, the extent necessary, the bonus and merit attributed to the CEO.

8.5.6.2 Conflicts of interest in the meaning of article 524 of the former Belgian Companies Code (currently article 7:97 of the Belgian Code of Companies and Associations)

During the meeting of the board of directors of April 5, 2019, article 524 of the Belgian Companies Code (currently article 7:97 of the Belgian Code of Companies and Associations) was applied.

At the April 5, 2019 meeting, the board of directors discussed, among other items, a transaction consisting of the entry into, by Telenet Group NV and Telenet BV, of an agreement with Liberty Global B.V. under which the Horizon 4 video platform and the related Horizon Go application, is made available to the Telenet group, primarily through licensing.

This agreement qualified as a decision or transaction related to relations between a listed entity (and/or its subsidiaries) on the one hand and companies which are affiliated to the listed entity on the other hand, excluding relations between the listed entity and its fully-owned subsidiaries, as set out in article 524 of the Belgian Companies Code (currently article 7:97 of the Belgian Code of Companies and Associations Code).

The decision of the committee of independent directors reads as follows:

"Opinion. Supported by the report issued by the Independent Expert, the Committee is of the opinion that the EOS Programme Term Sheet offers the Company the EOS Programme at terms and conditions (including, for the avoidance of doubt, financial conditions such as price) which are market practice, and allows the Company to achieve, in its corporate benefit, its objective to offer to its customers a video platform that, in line with its entertainment strategy, is high end and feature rich, is developed and launched at a large scale and sufficiently flexible to be future proof.

Opinion on whether or not the proposed transaction is manifestly illegitimate. Considering the above and after deliberation, the Committee is of the opinion that the Proposed Transaction: (1) is not of a nature to cause the Company a disadvantage which, in light of the strategy of the Company, is manifestly illegitimate; and (2) is in the interest of the Company and does not cause a disadvantage to the Company which would not be outweighed by benefits for the Company."

The relevant part of the minutes of the board of directors reads as follows:

"Under the EOS programme, it is proposed that Telenet would launch a new video entertainment platform and related application whereby, unlike the current and previous generations thereof, Telenet would not be acting as the integrator of such platform, but LG would take this role, by making its HZN 4 video platform and the related HZN Go application, developed, operated and integrated by LG, available to Telenet (the EOS Programme). The terms and conditions for Telenet's participation in such programme, documented in the Documentation (...) submitted for approval to the Board in this Board meeting constitutes the Proposed Transaction.

(...)

The Board acknowledges receipt and understanding of the Opinion and deliberates and resolves on the Proposed Transaction after thoroughly taking note of the Opinion and its content, as well as discussion thereof.

The Board shares the opinion of the Committee as assisted by the Independent Expert:

"Supported by the report issued by the Independent Expert, the Committee is of the opinion that the EOS Programme Term Sheet offers the Company the EOS Programme at terms and conditions (including, for the avoidance of doubt, financial conditions such as price) which are market practice, and allows the Company to achieve, in its corporate benefit, its objective to offer to its customers a video platform that, in line with its entertainment strategy, is high end and feature rich, is developed and launched at a large scale and sufficiently flexible to be future proof.

Considering the above and after deliberation, the Committee is of the opinion that the Proposed Transaction: (i) is not of a nature to cause the Company a disadvantage which, in light of the strategy of the Company, is manifestly illegitimate; and (ii) is in the interest of the Company and does not cause a disadvantage to the Company which would not be outweighed by benefits for the Company.

Following the deliberation in accordance with article 524 BCC as set out before, the Board unanimously RESOLVES to approve the Proposed Transaction and the Documentation."

The conclusion of the statutory auditor reads as follows:

"We can conclude that our review did not result in any findings that could have a significant impact on the fairness of the information mentioned in the opinion of the committee of the independent directors dated April 5, 2019 and in the minutes of the board of directors dated April 5, 2019. This engagement was performed exclusively in the context of article 524 of the Belgian Company Code and our report may not be used for any other purpose."

8.5.7 Comments on the measures taken to comply with the legislation concerning insider dealing and market manipulation (market abuse)

The legal framework for the market abuse rules applicable to Telenet and its stakeholders consists principally of Regulation No 596/2014 on market abuse (the Market Abuse Regulation), together with its implementing European and Belgian regulations, as well as ESMA and FSMA guidance (the **Market Abuse Framework**). A key concept under the Market Abuse Framework is "**Inside Information**". For Telenet, this is information relating to the Group or Telenet's shares and debt instruments that is precise, not public and that would, if it were made public, likely have a significant effect on the prices of the Telenet's shares and debt instruments (or on the price of related derivative financial instruments).

Telenet has implemented the Market Abuse Framework through its Dealing Code (as amended from time to time) which is made available to all employees, temporary staff, Board members, managers, consultants and advisers of the Group, as well as to investors thought the corporate website of Telenet (https://investors.telenet.be). The Dealing Code is intended to ensure that any persons who are in possession of Inside Information at any given time, do not misuse, and do not place themselves under suspicion of misusing, such Inside Information (e.g. by buying or selling shares or other securities of Telenet on the basis of Inside Information) and to ensure that such persons maintain the confidentiality of such Inside Information and refrain from market manipulation. The Dealing Code further also includes specific rules applicable to the members of the Board and the Senior Leadership Team and their closely associated persons and legal entities.

Telenet has ensured that the Dealing Code, together with supporting training materials, is made available to all employees, temporary staff, members of the boards of directors (or equivalent), managers, consultants and advisers of the Telenet Group. In addition, Telenet organizes regular training sessions to persons who could potentially become in possession of inside information to further ensure compliance with the market abuse rules and regulations and the Dealing Code.

Furthermore, in accordance with the standing policies of Telenet, information barriers are in place. These policies seek to ensure that confidential information which could potentially qualify as inside information is known only to persons who are:

a. directly involved in the relevant matter; or

b. responsible for determining whether an obligation to announce the information has arisen and/or determining whether such disclosure can be delayed.

Moreover, all persons to which any confidential information which could potentially qualify as Inside Information is disclosed in the normal course of exercise of employment, profession or duties are bound by a duty of confidentiality, whether on the basis of the law, regulations, a contract or otherwise.

In addition, any dealings in Telenet securities by persons discharging managerial responsibilities and persons closely associated, are reported as soon as possible to the FSMA, as well as to the General Counsel as compliance officer responsible for supervising compliance with the market abuse rules and regulations and the Telenet Dealing Code.

Finally, Telenet uses specialized software in order to create, maintain and report to the FSMA on (i) the logs of events which could potentially qualify as inside information, as well as (ii) the lists of persons to whom confidential information which could potentially qualify as inside information is entrusted.

Telenet's Dealing Code was last revised on December 13, 2017.

8.6 Daily management

8.6.1 General

The CEO is responsible for the daily management of the Company. The CEO is assisted by the executive management (Senior Leadership Team or "SLT"), of which he is the chairman, and that does not constitute a management committee within the meaning of article 7:104 (previously article 524bis) of the Belgian Code of Companies and Associations.

On April 1, 2013, Mr. John Porter was appointed as CEO of the Company. At December 31, 2019, four women were part of the Senior Leadership Team (see below for full composition of the SLT).

At December 31, 2019, the SLT was composed as follows:

Name	Year of birth	Position
John Porter	1957	Chief Executive Officer
Erik Van den Enden	1978	Chief Financial Officer
Luc Machtelinckx*	1962	Executive Vice President - General Counsel
Micha Berger	1970	Chief Technology Officer
Patrick Vincent	1963	Chief Transformation Officer
Jeroen Bronselaer	1978	Senior Vice President Residential Marketing
Martine Tempels	1961	Senior Vice President Telenet Business
Claudia Poels*	1967	Senior Vice President Human Resources
Dieter Nieuwdorp	1975	Senior Vice President Strategy & Corporate Development
Ann Caluwaerts	1966	Chief Corporate Affairs
Benedikte Paulissen	1969	Chief Customer Officer

* Mr. Luc Machtelinckx and Mrs. Claudia Poels will no longer be a member of the Senior Leader Management Team as of March 31, 2020.

The Chief Executive Officer is authorized to legally bind the Company acting individually within the boundaries of daily management and for specific special powers that were granted to him by the board of directors. In addition, the board of directors has granted specific powers to certain individuals within the Telenet Group. The latest delegation of powers has been published in the Annexes of the Belgian Official Journal on February 28, 2020.

8.6.2 Conflicts of interest

Pursuant to the Corporate Governance Charter, the members of the SLT have a duty to place Telenet's interests above their own and will avoid to perform any actions, to defend certain positions, and to pursue certain interests, if this would conflict, or would give the impression to conflict, with the interests of Telenet. When the members of the SLT take a decision, they shall disregard their potential personal interests and refrain from using business opportunities intended for Telenet for their own benefit.

Members of the SLT are required to inform the CEO of any conflict of interest that could, in their opinion, affect their capacity of judgment. The CEO shall in turn inform the chairman of the board of directors hereof.

If any transactions and/or business relationships between members of the SLT and one or more companies of the Telenet Group would occur, such transactions and/or business relationships shall in any event need to take place at normal market conditions.

Members of the SLT that wish to accept memberships of other corporate bodies outside the Telenet Group shall comply with the Telenet Policy concerning additional external functions. This policy requires members of the SLT to obtain the prior approval of the Remuneration and Nomination Committee before accepting such mandate or function. In taking its decision, the Remuneration and Nomination Committee shall, amongst others, balance and consider the opportunity for the member of the SLT's professional development against the potential time constraints and conflicts of interest that may arise.

8.6.3 Biographies of the members of the SLT

The following paragraphs set out the biographical information of the current members of the SLT of the Company:

John Porter, Chief Executive Officer

John Porter is the Chief Executive Officer of Telenet. The Company aims to be the leading provider of converged, connected entertainment and business solutions in Belgium. As CEO, Mr. Porter is responsible for the day-to-day operations. Prior to joining Telenet in 2013, he served as CEO of AUSTAR United Communications, at the time a Liberty Global subsidiary and an Australian public company that was a leading provider of subscription television and related products in regional Australia. He held this position until AUSTAR was acquired by Foxtel, a joint venture between News Corporation and Telstra, in May 2012. Mr. Porter led the growth of AUSTAR since inception, becoming its CEO at the time of its 1999 initial public offering. Previously, he served as the Chief Operating Officer for the Asia/Pacific region for a predecessor company of Liberty Global. From 1989 to 1994, Mr. Porter was President, Ohio Division, of Time Warner Communications. He started his career at Group W Broadcasting and Cable, as Director Government Relations before becoming General Manager of Westinghouse Cable Systems in Texas and Alabama. Until the end of 2019, Mr. Porter served as the Chairman of the board of Enero, a diversified marketing services company. He has a Bachelor of Arts from Kenyon College and also studied Political Economy at the University of Zagreb.

Erik Van den Enden, Chief Financial Officer

Erik Van den Enden, Telenet's Chief Financial Officer ("**CFO**") as of August 2018, has over 15 years financial experience in the fast moving consumer goods and telecom sector. He has a broad background in financial management and has held key positions in M&A, strategic and financial planning, controlling, treasury and risk management.

Before joining Telenet, Erik worked at AB InBev as Vice-President "Finance Transformation and Carve-Outs" where he led the worldwide integration and transformation of SAB Miller's financial processes. He was also responsible for the follow-up of the synergy program related to the acquisition of SAB Miller. Prior to this role, Erik was the driving force behind the design and the implementation of a new strategy for AB InBev's European markets, which allowed the business to reconnect with revenue growth as of 2015.

Before he started at InBev in 2007, Erik worked for three years at Telenet as Interconnect Manager and Product Manager for internet and telephony. Erik Van den Enden holds a Master's degree in Electro-Technical Engineering (KU Leuven) and also obtained a Master's degree in General Management at the Vlerick Management School. He followed specialized business- and finance courses at Insead and Wharton University.

Luc Machtelinckx, Executive Vice President and General Counsel

Luc Machtelinckx joined Telenet as Director Legal Affairs in February 1999. In this function, he was closely involved in the initial commercial steps, as well as the further development of Telenet's telephony and internet offerings. After the acquisition of the cable assets of the mixed intermunicipalities, Mr. Machtelinckx specialized in cable television legal affairs and more specifically, he played an important role in the iDTV project. In January 2007, Mr. Machtelinckx was appointed Vice President and General Counsel and as of January 2008 Senior Vice President and General Counsel. Since April 2009, Mr. Machtelinckx was appointed Executive Vice President and General Counsel. Prior to joining Telenet, Mr. Machtelinckx worked for 11 years at Esso Benelux in various legal and HR functions as well as for three 3 years at BASF Antwerp as Legal Manager and as Communication Manager.

Micha Berger, Chief Technology Officer

Micha Berger joined the Telenet Group in July 2013 and as Chief Technology Officer ("**CTO**"), leading the Technology and Innovation Telenet team, he is responsible for Mobile and HFC Network Build and expansions, Network Operations for Telenet's HFC and Mobile services, Field Operations, Converged Fixed & Mobile Engineering and Innovations and to deliver Telenet services including video platforms. Mr. Berger is driving several programs to remain the leading provider in superior connectivity with a converged fixed and mobile network. As of July 1, 2013, he also joined Telenet's SLT, reporting directly to the Company's CEO. Mr. Berger has worked for Liberty Global since 2006, initially managing the Engineering Department at UPC Nederland. As Vice President at Liberty Global since 2010, he has been responsible for Horizon Next Generation digital TV development and product roll-out. Before these endeavors, he gained his first experience in the cable industry at HOT Israel, where he was responsible amongst others for the development of the interactive digital service platform and the roll-out of video-on-demand.

Patrick Vincent, Chief Transformation Officer

Patrick Vincent joined Telenet in September 2004 as Customer Service & Delivery Director. In 2007 he became EVP Sales & Customer operations . In 2013, Chief Customer Officer. Since 2015 he is Chief Transformation Officer, leading the integration of BASE and SFR, including guidance in terms of operating model, digital transformation and new ways of working. Mr. Vincent started his career in 1989 in the food industry as Business Unit Manager of the cash and carry division at NV Huyghebaert. From 1994 to 1998, he was responsible for the sales division and in 1998 was promoted to Commercial Director. From 2000 to 2004, he worked at Tech Data, an IT distribution & service company, as Sales Director for Belgium and Luxembourg, and in 2002 was promoted to the role of Country Manager for Belgium and Luxembourg.

Jeroen Bronselaer, Senior Vice President Residential Marketing

Jeroen Bronselaer joined the Telenet Group in September 2010 and was at first responsible for the negotiations and relations with broadcasters and content suppliers. Later he took on broader roles managing Telenet's premium sport and movie channels and was named Vice President Product Entertainment, responsible for the entire entertainment product portfolio of Telenet. In September 2015, Jeroen joined the Senior Leadership Team as Senior Vice President Residential Marketing. Prior to joining the Telenet Group, Jeroen Bronselaer worked at the Flemish public broadcaster VRT, where he started out as a TV producer but quickly evolved into more business driven roles within the Media department of VRT. Jeroen Bronselaer holds a Master degree as Commercial Engineer and Post-graduate degree in Communication from the KU Leuven.

Martine Tempels, Senior Vice President Telenet for Business

Martine Tempels joined the Telenet Group in January 2009. She is responsible for the Telenet Group's business-to-business division and joined the Senior Leadership Team in October 2010. Ms. Tempels started her career in the IT sector at NCR (AT&T) and moved to EDS in 1996 assuming responsibilities as Belux Business Unit Manager for the financial and commercial sector. In 2007, Ms. Tempels was appointed Application Service Executive for the Northern and Central Region EMEA. Ms. Tempels holds a Master in Business and Economics from Vrije Universiteit Brussel.

Claudia Poels, Senior Vice President Human Resources

Claudia Poels joined the Telenet Group in May 2008 as Vice President Human Resources. Since June 15, 2009, she joined the SLT as Senior Vice President Human Resources. Prior to joining the Telenet group, Ms. Poels worked since 1992 at EDS, where she gained extensive experience working within various human resources disciplines. In 2002, Ms. Poels was promoted to HR Director of the Belgian and Luxembourg entity, and in 2006 she became the HR Operations Director for Northern Europe. Ms. Poels holds a Master degree in Law from KULeuven and a DEA & DESS Degree in European Law from Université Nancy II (France).

Dieter Nieuwdorp, Senior Vice President Strategy & Corporate Development

As of May 1, 2014, Dieter Nieuwdorp joined the SLT as Senior Vice President Strategy & Corporate Development. Besides the development of the general strategy of the company and the structuring of M&A transactions and other partnerships, his function also includes heading the Telenet Innovation Center and managing the CEO Office. He also holds board positions in several portfolio companies of the Telenet group.Mr. Nieuwdorp joined Telenet in 2007 as Corporate Counsel and Corporate Secretary and became VP Corporate Counsel & Insurance in 2010. He started his career as a lawyer with Loeff Claeys Verbeke (later Allen & Overy) in 1998. Mr. Nieuwdorp holds a Master of Law degree from KULeuven and a LL.M from the University of Pennsylvania Law School.

Ann Caluwaerts, Chief Corporate Affairs

Ann Caluwaerts, Chief Corporate Affairs, brings to the table over 25 years of experience in the global telecom as well as local media industry. Before she began working at Telenet, Ann gained experience at BT and Lernout & Hauspie Speech Products. She has extensive experience in strategic communications, regulatory affairs, strategy development, change management, stakeholder management as well as managing P&L's. Within Telenet, she is currently responsible for the wholesale division as well as the communications and regulatory department. Ann graduated as civil engineer electronics (KUL) and followed different courses at (a.o.) Insead, Londen Business School, Colombia University and Guberna. She regularly speaks at conferences and academic organizations.

Benedikte Paulissen, Chief Customer Officer

Benedikte Paulissen studied Applied Economics at the KU Leuven and obtained a post-graduate degree in European law at the UCL. She also worked for Flanders Technology International, a non-profit organization established by the Flemish government to promote technology, innovation and science. In 1998, she switched to Telenet and worked at the communication department and the marketing division to promote Telenet to the general public. In 2004, she was made responsible for all direct sales channels, including telesales and sales via indirect sales channels, including own shops, dealers and Telenet Centres. From 2011 she was also responsible for all customer service activities. The last couple of years she is driving the digital transformation and the customer centric experience.

8.7 Remuneration report

8.7.1 Remuneration of directors

The general meeting of shareholders of the Company approved the remuneration principles of the non-executive directors of the Company in its meetings of April 28, 2010, April 24, 2013, April 29, 2015, April 27, 2016 and April 26, 2017. The remuneration of the independent directors is as follows: A fixed annual remuneration of the chairman of the board of directors €120,000, an attendance fee for board meetings for the independent directors of €3,500, but with a maximum of €24,500 per year, an attendance fee of €4,000 for the chairman of the Audit Committee for presiding Audit Committee meetings, an attendance fee for the other independent directors participating in the Audit Committee at 3,000 per meeting, and an attendance fee for independent directors participating in the Remuneration & Nomination Committee at €2,000.

Furthermore, each non-executive director's remuneration consists of an annual fixed fee, increased with an attendance fee per attended meeting of the board of directors. All directors, except the CEO, the chairman of the board of directors and the directors appointed upon nomination of the Liberty Global Group, receive an annual fixed fee of €45,000 each. The directors appointed upon nomination of the Liberty Global Group, receive an annual fixed fee of €12,000 each. For each attended scheduled meeting of the board of directors, they receive an amount of €2,000. The annual fixed fees are only due if the director attends at least half of the scheduled board meetings. The independent directors are awarded remuneration for (attending) committee meetings (see above). The observer to the board of directors of Telenet is paid in the same fashion as the independent directors of Telenet but is not remunerated for attending committee meetings.

The CEO, who is the only executive director, is not remunerated for the exercise of his mandate as member of the board of directors of any of the Telenet companies.

For the year ended December 31, 2019, the aggregate remuneration of the members of the board of directors (including the observer) amounted to €459,000 for the Company (see table below for individual remuneration).

Upon recommendation of the Remuneration and Nomination Committee, the Company for now unanimously decided not to grant performance-related remuneration, shares or other securities issued by

Telenet, nor options, bonuses, fees, benefits in kind or pension plan benefits to its directors.

Taking into account the composition of the board of directors (consisting of one executive director, three independent non-executive directors and five non-executive directors appointed on the proposal of the Company's majority shareholder), the Company decided, upon recommendation by the Remuneration and Nomination Committee, not to apply the recommendation expressed in principle 7.6 of the Corporate Governance Code 2020 to the Company. While the Company seeks and pursues the alignment of all of its directors, it believes that ownership of securities in the Company by non-executive directors could unnecessarily trigger debates, whether or not such debate has merit, on (the appearance) of potential conflict of interests. While the board of directors does not believe that ownership of securities in the Company by directors presents such conflict of interest, the board of directors strives for rapidity and simplicity in a fast-moving environment as the one the Company operates in and does not wish to risk to slow down any decision-making by the board of directors with any such additional debates. The board of directors shall regularly evaluate this.

Pursuant to Belgian legislation and regulations, all board members (or persons related to them or entities fully controlled by them) must report details of their (transactions in) stock options and shares of the Company to the Belgian Financial Services and Markets Authority.

The individual remuneration paid for each member of the board of directors and the observer to the board for the year ended December 31, 2019 is set out in the table below.

Name	Remuneration 2019
Bert De Graeve (IDw Consult BV) (CCM) **	€144,500
John Porter	-
Christiane Franck **	€69,500
Jo Van Biesbroeck (JoVB BV) **	€69,500
Charles H. Bracken	€24,000
Diederik Karsten (***)	N/A
Manuel Kohnstamm	€26,000
Amy Blair	€24,000
Severina Pascu	€18,000
Enrique Rodriguez	€14,000
André Sarens *	€69,500

CCM: Current Chairman - in function as of 30/04/2014

(*) Observer

(**) Remuneration not including committee fees

(¨***) Diederik Karsten resigned from the board of directors with effect on February 15, 2019 and did not receive any remuneration.

The Company expects the remuneration principles of the directors of the Company for the next two financial years to be consistent with the current remuneration policy.

8.7.2. Remuneration of Executive Management (Senior Leadership Team)

1. General remuneration principles

The determination and evolution of the Company's remuneration practices are closely linked with the growth, results and success of the Company as a whole. The Company'sremuneration policy is built around internal fairness and external market competitiveness. These principles are executed through HR tools like function classification, career paths, and external benchmarking. The Company's strategy aligns competitive pay with the interests of shareholders and other stakeholders, aiming for an optimal balance between offering competitive salaries and avoiding excessive remuneration, while maintaining focus on performance and results. This implies that the Company's policies are reviewed periodically and adapted where needed.

The Company strives for an optimal mix between the different components of the remuneration package, balancing elements of fixed pay and variable pay. As examples, the Company's policy on fringe benefits offers good social support in terms of extra-legal pension, life and disability coverage and medical insurance; all of the Company's employees can benefit from price concessions or additional benefits for Telenet products; and share ownership of the Company is encouraged via employee stock purchase plans and other long-term incentive plans. The Company's experience has shown that this balanced remuneration policy helps to attract and retain top talent.

Performance management and the achievement of results is another anchoring element in the Company's total rewards strategy: the vast majority of its employees are evaluated on and rewarded according to (i) the achievement of individual and/or corporate objectives and (ii) individual performance being in line with the company's competence and leadership model. Throughout the Company's remuneration policy, customer loyalty (measured by means of a Net Promotor Score ("**NPS**") - see further below) plays a pivotal role.

2. Remuneration principles for executive management (Senior Leadership Team)

a) General

The Remuneration and Nomination Committee prepares a proposal for the remuneration principles and remuneration level of the CEO and submits it for approval to the board of directors.

The Senior Vice President Human Resources prepares a proposal for determining the remuneration principles and remuneration level of the members of the SLT (other than the CEO) for submission to the Remuneration and Nomination Committee. The Remuneration and Nomination Committee discusses (and possibly amends) the proposal and submits it for approval to the board of directors.

The remuneration policies of the members of the SLT are based on principles of internal fairness and external market competitiveness. The Company endeavors to ensure that the remuneration of the Senior Leadership Team consists of an optimal mix between various remuneration elements.

Each member of the SLT is remunerated by taking into account (i) his/her personal functioning and (ii) pre-agreed (company-wide and individual) targets, thereby linking rewards to corporate and individual performance and aligning the interests of the members of the SLT with the sustainable value-creation objectives of the Company. For the year ended December 31, 2019, 100% of management's bonuses (other than the CEO) depend on financial and operational targets, individual and departmental objectives will define a multiplier of the bonus. The functioning of each member of the SLT is assessed on the basis of the company's competence and leadership model.

In accordance with Belgian legislation and regulations, details of (transactions in) stock options and shares held by all members of the SLT (or persons related to them or entities fully controlled by them) are reported to the FSMA in Belgium.

b) Remuneration principles for the CEO

The CEO's annual remuneration package consists of a fixed part, a variable part, and includes premiums paid for group insurance and benefits in kind.

The variable cash remuneration of the CEO is based on his general performance over the year. Every year, the Remuneration and Nomination Committee formulates a bonus and salary proposal for approval by the board of directors. For 2019, the Remuneration and Nomination Committee proposed to the board of directors (i) to grant a cash bonus to the CEO for 2019 equal to €948,591; (ii) to determine his fixed compensation for 2019 to be €630,000 on an annual basis; (iii) to determine the maximum cash bonus for 2019 to be 150% of the 2019 annual fixed compensation.

The CEO is eligible for share-based remuneration. For details on the share-based remuneration of the CEO (including the share-based remuneration received in 2019), please see section 3.b) below.

c) Remuneration principles for the members of the SLT (excluding the CEO)

The annual remuneration of the members of the SLT (excluding the CEO) consists of a fixed salary (including holiday pay and thirteenth month), a variable remuneration part, and includes premiums paid for group insurance and benefits in kind.

The Company sets out the principles of variable remuneration in a general policy because it believes that there should be sufficient flexibility in the determination of the variable remuneration principles that allows for the consideration of prevailing market circumstances.

The variable cash remuneration depends on performance criteria relating to the respective financial year. With respect to the bonus for each member of the SLT (excluding the CEO) for performance year 2019, 100% was linked to the Company's financial and operational targets, an additional multiplier was linked to the individual evaluation score based on achieving the success of the individual and departmental objectives. Upon advice of the CEO, the Remuneration and Nomination Committee decides on the achievement of the performance criteria of each member of the SLT as leader of their department and as an individual. For the year ended December 31, 2019, the board of directors approved to grant a total variable remuneration package to the CEO and the members of the SLT, composed of:

- A target cash bonus subject to performance criteria and targets over 1 year, limited to a certain percentage of the respective base salary, and

- A long-term incentive plan carefully designed upon recommendation of the Remuneration and Nomination Committee and within the limits of the existing stock option plans approved by the general shareholders' meeting, consisting of 1/3 of stock options, 1/3 of performance shares and 1/3 of restricted shares (temporarily non-transferable shares):

    - The performance shares provide in a potential grant of Company shares based on the achievement of key performance indicators over a three-year period. The Performance Share Plans 2019, 2018 and 2016 for members of the SLT contain a provision regarding "claw back" of variable remuneration granted in well defined circumstances, including restatement of the Company's financial statements or fraud. None of the Company's other share-based compensation plans, including those with the CEO, have such "claw back" features.

    - The stock option plans provide in a theoretical allocation of Company stock options over a period of four years, vesting at a certain percentage per quarter. The individual participant is obliged to pay all taxes on the full theoretical package upon allocation (grant). Due to the volatility of the share over the past years, the board of directors has decided to include a clause in the general conditions of specific plans which protects the participant up to the amount of the potential tax loss. This clause can only be invoked insofar as the participant is still employed by Telenet five years after the grant date. The Company hereby arguably deviates from principle 7.11 of the Corporate Governance Code, with the sole purpose, however, to stimulate the acceptance ratio of the participants and thus to ensure that their interests are aligned as much as possible with the long-term vision of the Company.

    - The restricted shares are share entitlements which foresee in a two-year vesting period, followed by a mandatory two-year shareholding period prior to becoming available to the participant.

Please see section 4.b) below for further details hereon.

As a result of the variable remuneration plan design, members of the SLT build up a shareholding in the Company constituting at least 1/3 of their variable remuneration over the years. Although, in practice, this means that a minimum threshold exists in terms of share ownership by Senior Leadership Team members, such minimum threshold is not expressed in a fixed amount. Telenet thereby arguably deviates from principle 7.9 of the Corporate Governance Code 2020, so as to leave sufficient flexibility to the SLT members and the CEO to respond to specific circumstances that may exist from time to time.

With the exception of certain performance shares plans and in deviation of principle 7.12 of the Corporate Governance Code 2020, the variable remuneration (cash bonus and long-term incentives) of the members of the SLT, who are all employees (except for the CEO), do not contain provisions that enable the Company to reclaim paid variable remuneration. In particular, applicable labor law provisions do not allow to unilaterally amend the employment contracts in order to introduce claw-back provisions in relation to the cash bonus, and with regard to long-term incentives, the design of the plan is as such that the Remuneration and Nomination Committee considers at this time that additional claw-back provisions are not appropriate. Telenet shall continue to consider principle 7.12 of the Corporate Governance Code 2020 as appropriate.

In addition, the payout of the cash bonus to members of the SLT will be linked to meeting certain predetermined performance criteria over a one-year period. When these performance criteria are met, the acquired cash bonus will be paid out in the year following the performance year. All performance criteria will be determined by the CEO and the Remuneration and Nomination Committee and validated by the board of directors.

The general shareholders' meeting of the Company approved the relevant terms of this remuneration package on April 27, 2011 and April 2014, in accordance with the provisions of the Law of April 6, 2010.

3. Remuneration CEO

a) Cash-based remuneration

The Company's CEO was granted the following remuneration in the year ended December 31, 2019: (i) a fixed remuneration of €630,000, (ii) a variable remuneration of € 948,591, and (iii) benefits in kind valued at €81,866. As mentioned in section 8.7.1, the CEO is not remunerated for the exercise of his mandate as director of the Company or any other Telenet companies.

The relative weight these components for the year ended December 31, 2019 was: (i) fixed remuneration 37.9%, (ii) variable remuneration 57.1%, and (iii) benefits in kind 5%.

This cash-based variable remuneration, together with the relevant part of the share-based variable remuneration under the CEO SOP 2014, CEO SOP 2015, ESOP 2016, ESOP 2017 and ESOP 2018 (see below) and the performance shares under the PS 2016, PS 2018 and PS 2019, constitutes the total variable remuneration of the CEO for purposes of the Law of April 6, 2010, as approved by the general shareholders' meeting of April 27, 2011.

As a result of the variable remuneration plan design, the CEO builds up a share ownership in the Company over time, it being clear that no minimum threshold exists expressed in a fixed amount, thereby arguably deviating from principle 7.9 of the Corporate Governance Code 2020.

With the exception of certain performance share plans and in deviation of principle 7.12 of the Corporate Governance Code 2020, the variable remuneration (cash bonus and long-term incentives) of the CEO does not contain provisions that enable the Company to reclaim paid variable remuneration.

The benefits in kind include insurances for medical costs, life and disability, a company car, school fees for his children and a travel allowance up to certain maximum annual amounts. The CEO further receives a price concession with respect to Telenet products and services he orders.

He receives no benefits in cash linked to a performance period of longer than one year.

b) Share-based remuneration

Stock Options

On November 8, 2013, the CEO received 185,000 stock options under the CEO Stock Option Plan 2014 ("**CEO SOP 2014**"). These stock options are of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis.

The term of the stock options is seven years, such that all of the stock options granted under the CEO SOP 2014 have an expiration date of June 26, 2020. The stock options vested in two installments, on respectively June 26, 2016 and on March 1, 2017. All stock options that vested pursuant to the CEO SOP 2014 become exercisable during defined exercise periods following June 26, 2016.

The vesting of the stock options under the CEO SOP 2014 is contingent upon the achievement of certain (cumulative) performance criteria over a period of three years, including the achievement of a minimum level of Adjusted EBITDA. The Remuneration Committee, in consultation with the CEO, determined for each installment the performance criteria and the Remuneration Committee decided that these criteria were met. As the applicable (cumulative) performance criteria were achieved for 2014 and 2015, the first tranche of 138,750 stock options vested on June 26, 2016 while the second tranche of 46,250 stock option vested on March 1, 2017.

Upon a change of control over the Company, a de-listing of the Company or the start of a squeeze-out offer in relation to the shares of the Company, all stock options vest immediately and automatically.

The CEO shall consider the general interest of the Company when exercising Stock Options and/or selling the shares acquired upon the exercise of Stock Options.

On July 15, 2014, the CEO received 180,000 stock options under the CEO Stock Option Plan 2014 bis ("**CEO SOP 2014 bis**"). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis.
The term of the stock options is five years, such that all of the stock options granted under the CEO SOP 2014 bis have an expiration date of July 15, 2019. The stock options vested in three installments, on July 15, 2015, July 15, 2016 and July 15, 2017, respectively. All stock options that vested pursuant to the CEO SOP 2014 bis become exercisable during defined exercise periods as from July 15, 2017.

The vesting of the stock options under the CEO SOP 2014 bis is contingent upon the achievement of certain (cumulative) performance criteria over a period of three years, including the achievement of a minimum level of Adjusted EBITDA. The Remuneration Committee, in consultation with the CEO, determined for each installment the performance criteria, and the Remuneration Committee decided that these criteria were met. As the applicable (cumulative) performance criteria were achieved for 2014, 2015 and 2016, the first tranche of 45,000 stock options vested on July 15, 2015, the second tranche of 67,500 stock options vested on July 15, 2016 and the third tranche of 67,500 stock options vested on July 15, 2017.

Upon a change of control over the Company, a de-listing of the Company or the start of a squeeze-out offer in relation to the shares of the Company, all stock options vest immediately and automatically.

The CEO shall consider the general interest of the Company when exercising Stock Options and/or selling the shares acquired upon the exercise of Stock Options.

On March 13, 2015, the CEO received 180,000 stock options under the CEO Stock Option Plan 2015 ("**CEO SOP 2015**"). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis.

The term of the stock options is five years, such that all of the stock options granted under CEO SOP 2015 have an expiration date of March 13, 2020. The stock options vest in three installments, on March 13, 2016, March 13, 2017 and March 13, 2018 respectively. All stock options that vest pursuant to the CEO SOP 2015 become exercisable during defined exercise periods as from March 13, 2018.

The vesting of the stock options under the CEO SOP 2015 is contingent upon the achievement of certain (cumulative) performance criteria over a period of three years, including the achievement of a minimum level of Operating Cash (under USGAAP). The Remuneration Committee, in consultation with the CEO, determined for each installment the performance criteria on February 10, 2015, and the Remuneration Committee decided that these criteria were met. As the applicable performance criteria were achieved for 2015, the first tranche of 55,000 stock options vested on March 13, 2016. On February 14, 2017, the Remuneration Committee decided that the applicable (cumulative) performance criteria for 2015 and 2016 have been achieved hence, the second tranche of 63,000 stock options vested on March 13, 2017. On February 7, 2018, the Remuneration Committee decided that the applicable (cumulative) performance criteria for 2015, 2016 and 2017 have been achieved hence, the third tranche of 62,000 stock options vested on March 13, 2018.

Upon a change of control over the Company, a de-listing of the Company or the start of a squeeze-out offer in relation to the shares of the Company, all stock options vest immediately and automatically.

The CEO shall consider the general interest of the Company when exercising Stock Options and/or selling the shares acquired upon the exercise of Stock Options.

On April 15, 2016 the CEO received 244,209 stock options under the ESOP 2016 plan (**"ESOP 2016"**) (see also 8.3.1). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis. The term of the stock options is five years, such that all of the stock options granted under the ESOP 2016 plan, have an expiration of April 15, 2021. The stock options vest in quarterly installments.

On June 8, 2017, the CEO received 177,680 stock options under the ESOP 2017 plan (**"ESOP 2017"**) (see also 8.3.1). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis.

The term of the stock options is five years, such that all of the stock options granted under the ESOP 2017 plan, have an expiration date of June 8, 2022. The stock options vest in quarterly installments.

On June 6, 2018, the CEO received 204,942 stock options under the ESOP 2018 plan (**"ESOP 2018"**) (see also 8.3.1). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis. The term of the stock options is five years, such that all of the stock options granted under the ESOP 2018 plan, have an expiration date of June 6, 2023. The stock options vest in quarterly installments.

On May 6, 2019, the CEO received 185,611 stock options under the ESOP 2019 plan (**"ESOP 2019"**) (see also 8.3.1). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis. The term of the stock options is five years, such that all of the stock options granted under the ESOP 2019 plan, have an expiration date of May 6, 2024. The stock options vest in quarterly installments.

During the year ended December 31, 2019, the beneficiary exercised 208,446 vested stock options of the CEO Stock Option Plan 2014, resulting in the delivery of a total of 208,446 own shares held by the Company. As of November 25, 2019, there were no more stock options outstanding under the CEO Stock Option Plan 2014.

During the year ended December 31, 2019, the beneficiary exercised 101,406 vested stock options of the CEO Stock Option Plan 2014bis, resulting in the delivery of a total of 101,406 own shares held by the Company. As of March 14, 2019, there were no more stock options outstanding under the CEO Stock Option Plan 2014bis.

During the year ended December 31, 2019, the beneficiary exercised 100,000 vested stock options of the CEO Stock Option Plan 2015, resulting in the delivery of a total of 100,000 own shares held by the Company.

As of December 31, 2019, Mr. Porter had been granted the following stock options:

Name Plan	Number of stock options outstanding	Current Exercise price*	Vesting	Expiration date
CEO SOP 2014**				
first installment	—	€34.51	June 26, 2016	June 26, 2020
second installment	—	€34.51	March 1, 2017	June 26, 2020
CEO SOP 2014 bis***				
first installment	—	€34.95	July 15, 2015	July 15, 2019
second installment	—	€34.95	July 15, 2016	July 15, 2019
third installment	—	€34.95	July 15, 2017	July 15, 2019
CEO SOP 2015*				
first installment	—	€44.88	March 13, 2016	March 13, 2020
second installment	32,954	€44.88	March 13, 2017	March 13, 2020
third installment	69,857	€44.88	March 13, 2018	March 13, 2020
ESOP 2016*				
	275,159	€40.36	Quarterly	April 15, 2021
ESOP 2017*				
	200,198	€51.60	Quarterly	June 8, 2022
ESOP 2018*				
	230,915	€37.91	Quarterly	June 6, 2023
ESOP 2019				
	185,611	€46.54	Quarterly	May 6, 2024

*Upon the payment of the extraordinary dividend on October 4, 2018, the Company adjusted all options to ensure that benefits granted to the option holders were not reduced. The number of options was increased and the exercise price was decreased. More details on the extraordinary dividend and respective adjustments can be found in note 5.12 to the consolidated financial statements.
** As of November 25, 2019, there were no more stock options outstanding under the CEO Stock Option Plan 2014.
*** As of March 14, 2019, there were no more stock options outstanding under the CEO Stock Option Plan 2014bis.

Performance Shares

In 2016, Telenet granted performance shares to the CEO (**"2016 Performance Shares"**). The performance target applicable to these Telenet performance shares is the achievement of an Operating Cash Flow ("OCF") compound annual growth rate ("CAGR") over the performance period over 3 years starting on January 1 of the year of acceptance. A performance range of 75% to 160% of the targeted OCF CAGR would generally result in the recipient being awarded between 75% and 300% of these Performance Shares provided the performance conditions have been realized and subject to reduction or forfeiture based on service requirements. These performances shares vest 3 years after the grant date.

In 2018, Telenet granted performance shares to the CEO (**"2018 Performance Shares"**). The performance target applicable to these Telenet performance shares is the achievement of an Operating Cash Flow ("OCF") compound annual growth rate ("CAGR") over the performance period over 3 years starting on January 1 of the year of acceptance. A performance range of 75% to 130% of the targeted OCF CAGR would generally result in the recipient being awarded between 75% and 200% of these Performance Shares provided the performance conditions have been realized and subject to reduction or forfeiture based on service requirements. These performances shares vest 3 years after the grant date.

In 2019, Telenet granted performance shares to the CEO (**"2019 Performance Shares"**). The performance target applicable to these Telenet performance shares is the achievement of an Operating Cash Flow ("OFCF") compound annual growth rate ("CAGR") over the performance period over 3 years starting on January 1 of the year of acceptance. A performance range of 75% to 120% of the targeted OFCF CAGR would generally result in the recipient being awarded between 75% and 150% of these Performance Shares provided the performance conditions have been realized and subject to reduction or forfeiture based on service requirements. These performances shares vest 3 years after the grant date.
On February 11, 2019, the board of directors determined that the performance targets applicable to the 2016 Telenet Performance Shares were met, resulting in the vesting of these performance shares on April 15, 2019. On February 11, 2019 the Remuneration and Nomination Committee decided to settle the vested performance shares in shares of the Company. Following the decision of the Remuneration & Nomination Committee at total of 77,562 (gross amount) shares were paid out.

Restricted Shares

In 2019, Telenet granted 19,222 restricted shares to the CEO. These shares do not have a performance criterion. 40% of the granted shares will vest on 6 May 2021. The remaining 60% of these shares will vest on 6 May 2020.

These shares have a blocking period of 2 years starting on the vesting date of the granted respective shares. During this blocking period, it is not permitted, either directly or indirectly, to transfer the Allocated Shares, grant option rights on them, pledge, donate or sell them.

c) Termination arrangements

The CEO has a termination arrangement in his contract with the Company, providing that in case of early termination, the CEO is entitled to a maximum total cash remuneration equal to 12 months remuneration.

4. Remuneration Senior Leadership Team

a) Cash-based remuneration

For the year ended December 31, 2019, the aggregate remuneration paid to the other members of the SLT (excluding the CEO), amounted to €5,323,197. All members of the SLT (excluding the CEO) have an employment agreement with Telenet BV.

This amount is composed of the following elements (for all members jointly, excluding the CEO): (i) a fixed salary of €2,989,070, a variable salary of €1,718,168 (constituting 100% of the total cash bonus of 2019), (iii) paid premiums for group insurance for an amount of €386,070 and (iv) benefits in kind valued at €229,890. All amounts are gross without employer's social security contributions.

The members of the SLT (excluding the CEO) benefit from a defined benefit pension scheme. The plan is financed by both employer and employee contributions. The total service cost (without contributions of the employees) amounted to €269,917. The benefits in kind include insurance for medical costs, a company car, representation allowance, luncheon vouchers and for some members housing and travel expenses. The members of the SLT (excluding the CEO) further receive a price reduction with respect to Telenet products or services they order. The members of the SLT receive no benefits in cash linked to a performance period of longer than one year.

b) Share-based compensation

Performance Shares

On February 11, 2019, the board of directors determined that the performance targets applicable to the 2016 Telenet Performance Shares were met, resulting in the vesting of these performance shares on April 15, 2019. On February 11, 2019 the Remuneration and Nomination Committee decided to settle the vested performance shares in shares of the Company. Following the decision of the Remuneration and Nomination Committee at total of 132,303 (gross amount) shares were paid out.

An overview of the numbers of 2016 Telenet performance shares vested in favor of (current) members of the Senior Leadership Team can be found below:

Name	Number of 2016 performance shares vested
Berger Micha	25,854
Bronselaer Jeroen	14,221
Caluwaerts Ann	10,631
Machtelinckx Luc	10,631
Poels Claudia	10,631
Tempels Martine	10,631
Paulissen Benedikte	14,221
Nieuwdorp Dieter	10,631
Vincent Patrick	14,221

In 2019 Telenet granted 27.124 performance shares to the SLT. The performance target applicable to these Telenet performance shares is the achievement of an Operating Cash Flow ("OCF") compound annual growth rate ("CAGR") over the performance period over 3 years starting on January 1 of the year of acceptance. A performance range of 75% to 120% of the targeted OCF CAGR would generally result in the recipients being awarded between 75% and 150% of these Performance Shares provided the performance conditions have been realized and subject to reduction or forfeiture based on service requirements. These performances shares vest 3 years after the grant date.

Stock Options

On December 31, 2019, the current members of the SLT (excluding the CEO) held in aggregate 152,040 exercisable stock options under the ESOP 2015, 257,458 under the ESOP 2016, 162,886 under the ESOP 2017, 108,238 under the ESOP 2018 and 42,770 under the ESOP 2019. Each stock option can be exercised for one share. The vesting of these stock options occurs progressively (per quarter) over a period of four years. The stock options become exercisable after vesting.

During 2019, the members of the SLT also received stock options under the ESOP 2019 plan. An overview of the stock options granted to (and accepted by) the current members of the SLT (excluding the CEO) during 2019 can be found in the table below:

Name	Grant	Number of stock options granted	Number of stock options accepted	Current Exercise price
Berger Micha	ESOP 2019	42,262	42,262	€46.54
Bronselaer Jeroen	ESOP 2019	23,244	23,244	€46.54
Caluwaerts Ann	ESOP 2019	17,207	17,207	€46.54
Van den Enden Erik	ESOP 2019	31,697	31,697	€46.54
Nieuwdorp Dieter	ESOP 2019	17,207	17,207	€46.54
Paulissen Benedikte	ESOP 2019	23,244	23,244	€46.54
Tempels Martine	ESOP 2019	34,029	34,029	€46.54
Vincent Patrick	ESOP 2019	34,029	25,000	€46.54

An overview of the stock options exercised by the members of the SLT (excluding the CEO) during 2019, while they were members of the SLT, can be found in the table below:

Name	Number of stock options exercised	Current Exercise Price	Plan
Berger Micha	39,436	€40.18	ESOP 2014
Bronselaer Jeroen	5,000	€45.15	ESOP 2015
	10,000	€40.36	ESOP 2016
	6,000	€37.91	ESOP 2018
Caluwaerts Ann	24,436	€40.18	ESOP 2014
	15,211	€45.15	ESOP 2015
	6,000	€37.91	ESOP 2018
Machtelinckx Luc	13,168	€40.18	ESOP 2014
	18,900	€40.36	ESOP 2016
	6,760	€37.91	ESOP 2018
Nieuwdorp Dieter	39,436	€ 40.18	ESOP 2014
	10,000	€45.15	ESOP 2015
Poels Claudia	39,436	€40.18	ESOP 2014
Tempels Martine	13,436	€40.18	ESOP 2014
	17,746	€45.15	ESOP 2015
	22,956	€40.36	ESOP 2016
	13,520	€37.91	ESOP 2018
Vincent Patrick	20,000	€40.18	ESOP 2014
	21,126	€43.34	ESOP 2015

Restricted Shares

In 2019, Telenet granted 30.526 restricted shares to the SLT. These shares do not have a performance criterion. 40% of the granted shares will vest on 6 May 2021. The remaining 60% of these shares will vest on 6 May 2020.

These shares have a blocking period of 2 years starting on the vesting date of the granted respective shares. During this blocking period, it is not permitted, either directly or indirectly, to transfer the Allocated Shares, grant option rights on them, pledge, donate or sell them.

c) Termination arrangements

The employment agreements of some members of the SLT, all concluded before July 2009, contain termination arrangements providing for a notice period which can exceed twelve months in case of termination by Telenet BV (other than for cause). Most employment agreements, however, do not contain specific provisions relating to (early)

termination as these agreements precede the implementation of the Corporate Governance Code 2020 on January 1, 2020. As a result, the employment contracts of certain members of the SLT deviate from principle 7.12 of the Corporate Governance Code.
Mr. Luc Machtelinckx has a contractual termination clause, providing for the performance during a notice period in case of termination by the Company (except for cause) to be calculated on the basis of the 'formula Claeys', which may be replaced (with the prior agreement of Mr. Machtelinckx) by an indemnification payment (without performance).

The employment agreement with Ms. Martine Tempels, concluded when she was not yet a member of the SLT (and before May 4, 2010, i.e. the date of entry into force of the Law of April 6, 2010), does contain specific provisions relating to early termination, although it does not contain a clause specifying that severance pay in the event of early termination should not exceed 12 months' remuneration. The Company did not conclude a new agreement with her at the occasion of her appointment as member of the SLT.

The employment agreement with Mr. Dieter Nieuwdorp, and Ms. Benedikte Paulissen concluded when they were not yet members of the SLT (and before May 4, 2010, i.e. the date of entry into force of the Law of April 6, 2010) do not contain specific provisions relating to early termination.

The employment agreements with Mr. Patrick Vincent, Mr. Jeroen Bronselaer and Ms. Claudia Poels do not contain specific provisions relating to early termination.

The agreements with Ms. Ann Caluwaerts and Mr. Micha Berger all concluded after May 4, 2010, contain clauses specifying that severance pay in the event of early termination shall not exceed the maximum amount foreseen by law.

All new agreements concluded with members of the SLT after May 4, 2010 comply with the legal provisions of the Law of April 6, 2010. All future agreements will comply with the Belgian Corporate Governance Code 2020.

8.8 Audit of the company

8.8.1 External audit by statutory auditors

For details on the audit and non-audit fees paid to the auditor in the year ended December 31, 2019, we refer to note 5.31 to the consolidated financial statements of the Company.

8.8.2 Internal audit

For details on the internal audit function, we refer to note 8.4.2.5 of the corporate governance statement.

Brussels, March 24, 2020

On behalf of the board of directors

John Porter
Chief Executive Officer

Bert De Graeve
Chairman