Financial report 2022

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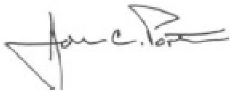
Compliance Statement

The undersigned certify that, to their knowledge:

- The consolidated financial statements which have been prepared in accordance with the applicable standards, give a true and fair view of the equity, financial position and performance of the Company and the entities included in the consolidation;
- The annual report of the Board of Directors gives a fair view on the development and performance of the business and the position of the Company and the entities included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

John Porter	Jo Van Biesbroeck
Chief Executive Officer	Chairman



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Consolidated annual report of the board of directors for 2022 to the shareholders of Telenet Group Holding NV

The board of directors of Telenet Group Holding NV has the pleasure to submit to you its consolidated annual report for the year ended December 31, 2022, as presented by the board of directors to the Ordinary General meeting of Shareholders of 26 April 2023.

In this report, the board of directors also reports on relevant corporate governance matters as well as certain remuneration matters. In accordance with article 3:6, §2, 1° of the Belgian Code of Companies and Associations and the Royal Decree of 12 May 2019 the board of directors has decided to adopt the 2020 Belgian Corporate Governance Code as the reference code for corporate governance matters.

The annual report is available in a Dutch and an English PDF version, and a Dutch and English ESEF (European Single Electronic Format) version. We have done everything reasonably possible to avoid differences between the different language and format versions, but if there are any differences, the Dutch ESEF version will take precedence.

Introduction

Definitions

(1) **Rebased information:** On June 1, 2022, Telenet successfully completed the sale of our mobile tower infrastructure business ("TowerCo") to DigitalBridge Investments, LLC, an affiliate of DigitalBridge Group, Inc. ("DigitalBridge"). In addition, on October 1, 2022, Telenet closed the acquisition of an additional 21% stake in the media group Caviar; this acquisition brings its total shareholding to 70% and Telenet has consolidated Caviar's financial results since October 1, 2022. For purposes of calculating rebased growth rates on a comparable basis, Telenet has adjusted its historical revenue and Adjusted EBITDA to exclude/ include the revenue and Adjusted EBITDA of TowerCo and Caviar, respectively, to the extent revenue and Adjusted EBITDA related to these transactions are no longer included/excluded in its current results. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis. Rebased growth is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is an additional measure used by management to demonstrate the Company's underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company's performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

(2) **EBITDA** is defined as profit before net finance expense, the share of the result of equity accounted investees, income taxes, depreciation, amortization and impairment. **Adjusted EBITDA** is defined as EBITDA before stock-based compensation, measurement period and post-measurement period adjustments related to business acquisitions and restructuring charges, and before operating charges or credits related to successful or unsuccessful acquisitions or divestitures. Operating charges or credits related to acquisitions or divestitures include (i) gains and losses on the disposition of long-lived assets, (ii) due diligence, legal, advisory and other third-party costs directly related to the Company's efforts to acquire or divest controlling interests in businesses, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. **Adjusted EBITDAa**L (Adjusted EBITDA after leases) is defined as Adjusted EBITDA further adjusted to include lease-related depreciation and interest expense. Adjusted EBITDA and Adjusted EBITDAaL are non-GAAP measures as contemplated by the U.S. Securities and Exchange Commission's Regulation G and (i) represent an additional measure used by management to demonstrate the Company's underlying performance both before and after including all lease-related expenses necessary to run the business and (ii) provide comparability between Telenet's performance and the performance of other companies in the same or similar industries, although Telenet's measure may not be directly comparable to similar measures used by other public companies. These non-GAAP measures should not replace the measures in accordance with EU IFRS as an indicator of the Company's performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure. A reconciliation of this measure to the most directly comparable EU IFRS measure is disclosed on page 23.

(3) **Accrued capital expenditures** are defined as additions to property, equipment and intangible assets, including additions from leases and other financing arrangements, as reported in the Company's consolidated statement of financial position on an accrued basis.

(4) **Adjusted EBITDA less property & equipment additions** (previously referred to as Operating Free Cash Flow ("OFCF")) is defined as Adjusted EBITDA minus accrued capital expenditures as reported in the Company's consolidated financial statements. Accrued capital expenditures exclude the recognition of football broadcasting rights, mobile spectrum licenses and certain lease related capital additions. Adjusted EBITDA less property & equipment additions is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is a meaningful measure because it provides

(i) a transparent view of Adjusted EBITDA that remains after the Company's capital spend, which the Company believes is important to take into account when evaluating overall performance of the business and (ii) a comparable view of the Company's performance relative to other telecommunications companies. The Company's Adjusted EBITDA less property and equipment additions measure may differ from how other companies define and apply their definition of similar measures.

(5) **Adjusted Free Cash Flow** is defined as net cash provided by the Company's operating activities, plus operating-related vendor financed expenses (which represents an increase in the period to the Company's actual cash available as a result of extending vendor payment terms beyond normal payment terms, which are typically 90 days or less, through non-cash financing activities), less (i) cash payments in the period for capital expenditures as reported in the Company's consolidated statement of cash flows, (ii) principal payments on operating- and capital-related amounts financed by vendors and intermediaries (which represents a decrease in the period to the Company's actual cash available as a result of paying amounts to vendors and intermediaries where we previously had extended vendor payments beyond the normal payment terms), and (iii) principal payments on finance leases (which represents a decrease in the period to our actual cash available) each as reported in the Company's consolidated statements of cash flows. The Company believes its presentation of Adjusted Free Cash Flow, which is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G, provides useful information to its investors because this measure can be used to gauge the Company's ability to (i) service debt and (ii) fund new investment opportunities after consideration of all actual cash payments related to working capital activities and expenses that are capital in nature whether paid inside normal vendor payment terms or paid later outside normal vendor payment terms (in which case the Company typically pays in less than 365 days). Adjusted Free Cash Flow should not be understood to represent the Company's ability to fund discretionary amounts, as the Company has various mandatory and contractual obligations, including debt repayments, that are not deducted to arrive at these amounts. Investors should view Adjusted Free Cash Flow as a supplement to, and not a substitute for EU IFRS measures of liquidity included in the Company's consolidated statements of cash flows. Further, the Company's Adjusted Free Cash Flow may differ from how other companies define and apply their definition of Adjusted Free Cash Flow.

(6) **Video Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives Telenet's video service over the Telenet and Partner Networks (commonly referred to as the "Combined Network").

(7) **Internet Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives Telenet's internet services over the Combined Network.

(8) **Fixed-line Telephony Subscriber** is a home, residential multiple dwelling unit or commercial unit that receives Telenet's fixed-line voice services over the Combined Network. Fixed-line Telephony Subscribers exclude mobile telephony subscribers.

(9) **Mobile subscriber count** represents the number of active subscriber identification module (“SIM”) cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from Telenet's mobile telephony subscriber counts after a 90-day inactivity period.

(10) **Customer Relationships** are the number of customers who receive at least one of Telenet's video, internet or telephony services that Telenet counts as RGUs, without regard to which or to how many services they subscribe. Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives Telenet's services in two premises (e.g. a primary home and a vacation home), that individual generally will count as two Customer Relationships. Telenet excludes mobile-only customers from Customer Relationships.

(11) **Average Revenue Per Unit (“ARPU”)** refers to the average monthly subscription revenue per average customer relationship and is calculated by dividing the average monthly subscription revenue (excluding mobile services, Business-to-Business ("B2B") services, interconnect, channel carriage fees, mobile handset sales and installation fees) for the indicated period, by the average of the opening and closing balances for customer relationships for the period.

(12) **Homes Passed** are homes, residential multiple dwelling units or commercial units that can be connected to the Combined Network without materially extending the distribution plant. Telenet's Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results.

(13) **RGU** is separately a Video Subscriber, Internet Subscriber or Fixed-line Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer subscribed to Telenet's video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Video, Internet and Fixed-line Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of Telenet's services in two premises (e.g. a primary home and a vacation home), that individual will count as two

RGUs for that service. Each bundled cable, internet or fixed-line telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g. free service to employees) generally are not counted as RGUs. Telenet does not include subscriptions to mobile services in its externally reported RGU counts.

(14) **Customer Churn** represents the rate at which customers relinquish their subscriptions. The annual rolling average basis is calculated by dividing the number of disconnects during the preceding 12 months by the average number of customer relationships. For the purpose of computing churn, a disconnect is deemed to have occurred if the customer no longer receives any level of service from Telenet and is required to return Telenet's equipment. A partial product downgrade, typically used to encourage customers to pay an outstanding bill and avoid complete service disconnection is not considered to be disconnected for purposes of Telenet's churn calculations. Customers who move within Telenet's cable footprint and upgrades and downgrades between services are also excluded from the disconnect figures used in the churn calculation.

(15) **Net total leverage** is defined as the sum of loans and borrowings under current and non-current liabilities (excluding lease-related liabilities) minus cash and cash equivalents ("Net Total Debt"), as recorded in the Company's statement of financial position, divided by the last two quarters' Consolidated Annualized Adjusted EBITDAaL. In its statement of financial position, Telenet's USD-denominated debt has been converted into EUR using the December 31, 2022 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the EUR-equivalent hedged amounts were €2,041.5 million (USD 2,295.0 million Term Loan AR) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the EUR-equivalent hedged amounts given the underlying economic risk exposure. Net total leverage is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G.

(16) **Net covenant leverage** is calculated as per the 2020 Amended Senior Credit Facility definition, using Net Total Debt (using the €-equivalent hedged amounts for its USD-denominated debt as highlighted above), excluding (i) subordinated shareholder loans, (ii) capitalized elements of indebtedness under the Clientele and Annuity Fees, (iii) any finance leases entered into on or prior to August 1, 2007, (iv) any indebtedness incurred under the network lease entered into with the pure intermunicipalities, (v) any vendor financing-related liabilities, and including (vi) the Credit Facility Excluded Amount (which is the greater of (a) €400.0 million and (b) 0.25x Consolidated Annualized Adjusted EBITDA), divided by last two quarters' Consolidated Annualized Adjusted EBITDA.

Important reporting changes

Rebased information for the year ended December 31, 2021: On June 1, 2022, Telenet successfully completed the sale of its mobile tower infrastructure business (“TowerCo”) to DigitalBridge Investments, LLC, an affiliate of DigitalBridge Group, Inc. (“DigitalBridge”). In addition, on October 3, 2022, Telenet closed the acquisition of an additional 21% stake in the media group Caviar; this acquisition brings its total shareholding to 70% and Telenet has consolidated Caviar's financial results since October 3, 2022. For purposes of calculating rebased growth rates on a comparable basis, Telenet has adjusted its historical revenue and Adjusted EBITDA to exclude/include the revenue and Adjusted EBITDA of TowerCo and Caviar, respectively, to the extent revenue and Adjusted EBITDA related to these transactions are no longer included/included in its current results. Telenet refer to Definitions for more information.

Inclusion of Adjusted EBITDA after leases ("Adjusted EBITDAaL"): Following the aforementioned sale of its mobile tower infrastructure business on June 1, 2022, Telenet will now include Adjusted EBITDA after leases as a core financial metric in addition to Adjusted EBITDA. Adjusted EBITDAaL is defined as Adjusted EBITDA as further adjusted to include lease-related depreciation and interest expense as mentioned under Definitions. As a result of the tower disposal, Telenet has entered into a 15-year Master Lease Agreement ("MLA") with DigitalBridge with two renewal periods of 10 years each. As a result, Telenet will make substantial payments to DigitalBridge for the use of Telenet's former mobile tower infrastructure. As a result, Telenet believes Adjusted EBITDAaL is a helpful financial metric to (i) demonstrate the Company’s underlying performance after including all lease-related expenses necessary to run its business and (ii) provide comparability between Telenet’s performance and the performance of other companies in the same or similar industries, although Telenet’s measure may not be directly comparable to similar measures used by other public companies.

Operating Free Cash Flow renamed Adjusted EBITDA less property & equipment additions: Effective with the annual report of 2021, Telenet has stopped using the term Operating Free Cash Flow and now uses the term "Adjusted EBITDA less property & equipment additions". As Telenet defines the term, Adjusted EBITDA less property & equipment additions has the same meaning as Operating Free Cash Flow had previously, and therefore does not impact any previously reported amounts.

Revised definition of Adjusted Free Cash Flow: Effective as of 2021, Telenet has changed the way it calculates Adjusted Free Cash Flow by deducting (i) cash payments for direct acquisition and divestiture costs and (ii) principal payments on pre-acquisition additions to network leases from its Adjusted Free Cash Flow. Prior to implementing this change, its Adjusted Free Cash Flow excluded both payments, in line with its historical guidance.

1. Information on the Company

1.1 Overview

Telenet is the largest provider of video services in Belgium. Telenet's hybrid fiber-coaxial ("HFC") cable network spans the Flanders region, covers approximately 58% of Belgium by homes passed and includes the metropolitan centers of Antwerp and Ghent and approximately two-thirds of Brussels. Telenet's HFC network consists of a dense fiber backbone with local loop connections constructed of coaxial cable with spectrum used up to 1.2GHz, powered by the EuroDocsis 3.0 and 3.1 technology with data downstream speeds of up to 1 Gbps across the entire footprint. Telenet Group Holding's shares are listed on the Euronext Brussels Stock Exchange under the ticker symbol TNET.

In July 2022, Telenet announced a binding agreement with Fluvius, taking a joint next step in the realization of the data network of the future (working name "NetCo"). In November 2022, it became clear that the NetCo transaction had to be notified to the European Commission. As a result, Telenet expects the actual launch of NetCo to be delayed until the summer of 2023. NetCo's ambition is to provide speeds of 10 Gbps across its entire footprint in time, for which there is a clear roadmap through a mixture of both HFC (DOCSIS) and fiber technologies. NetCo plans to invest up to €2.0 billion to build the leading fixed network, targeting to cover 78% of Telenet's footprint with fiber by 2038 with approximately 70% of premises connected in 2029. Telenet will actively seek opportunities for further network rationalization and CAPEX optimization. The NetCo plan is fully funded and will be independent from external financing. NetCo is well positioned to attract additional strategic and/or financial investors given its market-leading market penetration of close to 60% and its attractive financial profile.

Telenet offers enhanced video, including high definition ("HD"), pay television and video-on-demand ("VOD") services, high-speed broadband internet and fixed-line and mobile telephony services to residential subscribers who reside in Telenet's network area. Telenet also combines its services into packages, or bundles, which offer subscribers the convenience of being able to purchase video, broadband internet and telephony services from a single provider at an attractive and discounted price. Under the "BASE" brand, Telenet also offers mobile telephony services to residential and business customers across Belgium. In addition, Telenet offers voice and data services, as well as value-added services including cloud, hosting and security solutions, to SMEs and large-sized businesses throughout Belgium and parts of Luxembourg.

At December 31, 2022, Telenet served 2,008,800 unique customer relationships, which represented approximately 58% of the 3,436,700 homes passed by its leading HFC network across its Flemish and Brussels footprint. At December 31, 2022, Telenet provided 4,437,800 fixed services ("RGUs") consisting of 1,694,700 video, 1,730,700 broadband internet and 1,012,400 fixed-line telephony subscriptions. At December 31, 2022, Telenet also served 2,940,300 mobile subscribers. The number of fixed services per customer relationship moderately decreased from 2.26 at December 31, 2021 to 2.21 at December 31, 2022, driven by a continued contraction in both Telenet's video and fixed-line telephony RGU base. However, Telenet succeeded to further grow its fixed-mobile converged ("FMC") customer base, which represents the sum of the "WIGO", "KLIK" and "ONE" and "ONE UP" bundle propositions. Telenet's FMC customer base reached 823,500 subscribers at December 31, 2022, up nearly 10% year-on-year. For the year ended December 31, 2022, Telenet added 73,800 net new FMC subscribers driven by its successful campaigns.

Telenet generated revenue of €2,665.0 million for the year ended December 31, 2022, which was up nearly 3% versus €2,595.8 million of revenue generated for the year ended December 31, 2021. For the year ended December 31, 2022, Telenet achieved Adjusted EBITDA of €1,373.8 million, which was broadly stable versus the €1,367.5 million generated for the year ended December 31, 2021. As of October 2022, Telenet's consolidated financial accounts also include the contribution from the media group Caviar in

which Telenet holds a 70% shareholding and which is recorded under other revenue. For more information on Telenet's financial performance for the year ended December 31, 2022, we refer to 2. Discussion of the consolidated financial statements.

Telenet is continuously focused on offering its subscribers broadband internet and telephony subscriptions together with its video services in the form of attractively priced multiple-play bundles. Telenet has derived, and believes it can continue to derive, substantial benefits from the trend towards bundled subscriptions, through which it is able to sell more products to individual subscribers, resulting in significantly higher ARPU per customer relationship and, in its experience, the reduction of customer churn. For the year ended December 31, 2022, the monthly fixed ARPU per customer relationship reached €59.4, which was broadly stable compared to the year ended December 31, 2021. While the ARPU per customer relationship was boosted by the favorable impact of the August 2021 and mid-June 2022 price adjustments, growth was almost fully offset by the continued decline in both video and fixed-line telephony RGUs and a higher reallocation of "ONE" FMC bundle revenue from fixed to mobile telephony.

1.2 Video

Cable television is the principal medium for the provision of television services in Flanders, and Telenet is the largest provider of video services in Belgium. Almost all Flemish television households are passed by Telenet's HFC network. The high penetration of Telenet’s video business has resulted in a steady source of revenue and cash flow. All of Telenet’s video subscribers have access to at least 21 television channels. Telenet generally provides its basic cable television services under individual contracts with its subscribers, the majority of whom pay monthly. Telenet’s basic video subscribers who have installed a set-top box or CI + module, and activated a smart card, have access to more than 92 digital channels, including more than 60 HD channels, and approximately 74 digital radio channels, for no additional fee. Telenet offers its basic video services in digital for no additional fee giving them access to a more enriched TV experience, including payable access to electronic program guides (“EPGs”), additional thematic content packs, exclusive movies and sports channels and a large VOD library of both local and international programs.

Telenet's video customer base reached 1,694,700 RGUs at December 31, 2022. Following the successful completion of Telenet's analog TV switch-off program across its entire footprint at the end of November 2021, Telenet no longer distinguishes between basic and enhanced video subscribers and only reports the total number of video customers. Subscribers to Telenet's enhanced video service enjoy unrestricted access to a wide range of digital, HD and pay television sports, series and movies channels, a vast complementary and paid library of domestic and international VOD content and its over-the-top ("OTT") video platform. For the year ended December 31, 2022, Telenet lost 67,300 net video subscribers caused by (i) a lower proportion of remaining analog TV subscribers due to demographics, (ii) product optimization within the multiple play customer base related to the current macro-economic environment and (iii) the removal of 4,000 inactive TADAAM customers, which is Telenet's fixed-mobile substitution brand, combining full wireless connectivity and TV services. Annualized video churn reached 9.0% for the year ended December 31, 2022, which was broadly unchanged compared to the year ended December 31, 2021.

Telenet also continues to have a leading market position in the sports segment. "Play Sports" continues to broadcast both domestic and international football competitions, such as the English Premier League exclusively, and via the Eleven Sports channels: the Belgian Jupiler Pro League, La Liga, Serie A and Bundesliga 1. Other sports, such as cyclo-cross, basketball, hockey, tennis, golf and motor sports, are also included in Telenet's broad sports offering. In addition, Telenet's "Play Sports Open" channel offers a selection of sports events, as well as proprietary and acquired programs and documentaries, to its video subscribers in the basic tier.

Furthermore, as Telenet is evolving to offer all relevant premium entertainment to its customers, Telenet integrated other main subscription VOD services (including, amongst others, Netflix and Amazon Prime) to customers through its set-top box environment and Telenet intends to continue to expand with other relevant VOD services in the future. Consequently, Telenet is well positioned as a leading player in the premium entertainment segment within its footprint. Telenet's total premium entertainment subscriber base, including "Streamz", "Streamz+", "Play More" and "Play Sports" equaled approximately 35% of its total enhanced TV customer base at December 31, 2022. This represented a modest decline of 1 percentage point compared to December 31, 2021 as a result of product optimization given the current economic backdrop. This included 356,800 direct subscriptions to Telenet's premium entertainment packages "Streamz", "Streamz+" and "Play More" and 217,900 "Play Sports" customers at December 31, 2022.

1.3 Broadband internet

Telenet is the leading provider of residential broadband internet services in Flanders and parts of Brussels. Telenet's broadband internet subscriber base reached 1,730,700 subscribers at December 31, 2022 which was modestly up compared to December 31, 2021. Telenet added 5,000 net new broadband subscribers for the year ended December 31, 2022, negatively impacted by the removal of 4,000 inactive TADAAM subscribers. Annualized churn for Telenet's broadband internet service for the year ended December 31, 2022 remained unchanged at 7.6% and therefore remains considerably low. The weighted average data download speed across Telenet's broadband subscriber base once again further increased, reaching 246 Mbps at December 31, 2022, up 3% from 238 Mbps at December 31, 2021. In addition, 39% of Telenet's total broadband customer base enjoyed download speeds of at least 300 Mbps or higher at December 31, 2022.

1.4 Telephony

1.4.1 Fixed-line telephony

Telenet offers its residential subscribers local, national and international long distance fixed-line telephony services and a variety of value-added features. In Flanders, Telenet believes it is currently the largest competitor of Proximus, the Belgian incumbent operator, due in part to Telenet's emphasis on customer service and innovative flat-fee rate plans. Substantially all of Telenet's fixed-line telephony subscribers use voice-over- internet protocol ("VoIP") technology, which utilizes the open standards EuroDocsis protocol, and through which Telenet is able to provide both internet and fixed-line telephony services.

At December 31, 2022, Telenet served 1,012,400 fixed-line telephony subscribers, representing an 8% decrease compared to December 31, 2021. This decline is similar to the trend in the overall fixed-line telephony market as customers increasingly rely on their mobile subscription and/or use alternative over-the-top solutions. Telenet's fixed-line telephony subscriber base contracted by 87,800 RGUs for the year ended December 31, 2022. Annualized churn for Telenet's fixed-line telephony service reached 10.1% for the year ended December 31, 2022, a modest year-on-year increase of 20 basis points.

1.4.2 Mobile telephony

Telenet offers its mobile telephony services under both the "Telenet" and "BASE" brand names and has entered into several wholesale partnerships, including the Walloon cable operator Nethys and the international provider of prepaid services Lycamobile. Through its own mobile network, Telenet offers its cable customers mobile voice and data services, including 4G/LTE ("Long Term Evolution").

Telenet's mobile telephony subscriber base, which excludes subscribers under its commercial wholesale partnerships, totaled 2,940,300 subscribers at December 31, 2022, including 2,669,300 postpaid subscribers. The vast majority of Telenet's mobile subscribers (approximately 91%) are subscribed to one of its attractive mobile or FMC propositions. The remaining 271,000 mobile subscribers are prepaid subscribers under the BASE brand. Telenet added 45,300 net new mobile postpaid subscribers for the year ended December 31, 2022 on an organic basis. Telenet's prepaid subscriber base continued to decrease as consumers increasingly opt for postpaid mobile tariff plans and contracted by 49,400 SIMs for the year ended December 31, 2022.

1.4.3 Interconnection

Interconnection is the means by which users of one telephony network are able to communicate with users of another telephony network. For a subscriber located on one telephony network to complete a telephone call to an end user served by another telephony network, the subscriber's network service provider must connect to the network serving the end user. Typically, the network serving the end user charges the subscriber's service provider a fee to terminate the communication on its network, which is based on a call set-up charge and on the length of the telephone call. Telenet's principal interconnection agreements are with Proximus and the main telecommunication operators in Belgium. Proximus provided fixed-line telephony services to an estimated 50-60% of the residential and an estimated 60-70% of the business fixed-line market in Belgium according to the most recent Annual Report (2021) from the Belgian Institute for Postal and Telecommunication services ("BIPT").

In the premium service mobile business, Telenet connects to content aggregators, and as such provides mobile telephony subscribers access to value-added services. For the purpose of serving its mobile telephony subscribers roaming abroad, Telenet has over 600 bilateral roaming agreements.

Interconnection revenue and expenses have a significant impact on Telenet's financial results. As a result, Telenet is focused heavily on managing this cost. For the year ended December 31, 2022, Telenet incurred interconnection expenses of €114.4 million (€125.8 million for the year ended December 31, 2021). For the year ended December 31, 2022, Telenet received interconnection revenue of €122.3 million (€130.8 million for the year ended December 31, 2021). The year-on-year decrease in both interconnect revenue and expenses is linked to an ongoing shift in customer behavior to OTT and VoIP applications. Telenet reports the interconnection revenue generated by its fixed-line and mobile telephony subscribers under 'Other' revenue, while the incurred interconnection fees are included in 'Direct costs'.

Effective July 2021, the European Commission set single maximum EU-wide wholesale rates for fixed and mobile voice termination at 0.07 €cents/min and 0.02 €cents/min, respectively. The maximum wholesale rate for mobile voice termination is phased in over three-years, ending in 2024.

1.5 Business services

Under the "Telenet Business" brand, Telenet offers a range of voice, data and internet products and services that are tailored to the size and needs of each customer. Telenet Business also offers its business customers an extensive range of reliable value-added services, including hosting, managed security and cloud services. Telenet provides services to business customers throughout Belgium and parts of Luxembourg. Telenet's business customers include SMEs, larger corporations, public, healthcare and educational institutions, and carrier customers that include international voice, data and internet service providers. Telenet expanded its offering through the acquisition of local ICT integrator Nextel in May 2018. This acquisition has put Telenet Business in a stronger position to create more competition in the business market. It is now able to offer all-in-one solutions to medium-sized and large companies.

The revenue reported under business services relates to (i) the revenue generated on non-coax products, including fiber and leased DSL lines, (ii) Telenet's carrier business and (iii) value-added services such as network hosting and managed data security. Revenue generated by Telenet's business customers on all coax-related products, such as its flagship "KLIK" bundle, is allocated to the cable subscription revenue lines and is not captured within Telenet Business. Business generated revenue of €179.7 million for the year ended December 31, 2022, representing a 1% year-on-year decline, driven by lower fixed-line and ICT integration services revenue.

1.6 Network

In 1996, Telenet acquired the exclusive right to provide point-to-point services, including broadband internet and fixed-line telephony services, and the right to use a portion of the capacity of the broadband communications network owned by the pure intermunicipalities (the "PICs"), the Partner Network. Currently, under the PICs Agreement, Telenet has full rights to use substantially all of the Partner Network under a long-term lease (erfpacht/emphythéose) entered into in 2008 for an initial period of 38 years, for which Telenet is required to pay recurring fees in addition to the fees paid under certain pre-existing agreements with the PICs. Thanks to Telenet's continuous investments over the years to modernise and upgrade the entire cable network, Telenet can already offer Internet speeds of 1 Gbps to everyone in Flanders.

Telenet refers to the Combined Network when describing the combination of its own network and the Partner Network. Through the Combined Network, Telenet provides video in digital and HD formats, broadband internet and fixed-line telephony services to both residential and business customers who reside in its service area. The Combined Network consists of a dense fiber optic backbone network with local loop connections consisting of coaxial cable with spectrum of up to 1.2 GHz, powered by EuroDocsis 3.0 and 3.1 technology with download speeds of up to 1 Gbps over the entire footprint. As a result, Telenet can now offer download speeds of up to 1 Gbps to both residential and business customers throughout its footprint. Telenet's Combined Network assets include approximately 12,000 kilometers of fiber backbone, of which Telenet owns 7,300 kilometers, utilizes approximately 2,600 kilometers pursuant to long-term leases and has access to 2,100 kilometers through its agreements with the PICs. The fiber backbone connects to approximately 68,000 kilometers of coaxial local loops, of which 50,000 kilometers is in the Telenet Network and the balance is in the Partner Network. Telenet owns the primary and secondary fiber backbone on the Combined Network and the fiber and coaxial cable on the Telenet Network. The PICs own the additional fiber and the coaxial cable included in the HFC access loops on the Partner Network.

In addition to its HFC network, Telenet offers services to business customers across Belgium and in parts of Luxembourg through a combination of an own backbone, electronic equipment that it owns and last mile connectivity that is predominantly leased, outside of the Combined Network footprint.

Telenet's fiber backbone is running All-IP and carries all of its communications traffic. Telenet also uses fully converged multi protocol label switching ("MPLS") to route its IP traffic, which enables it to more efficiently tag data to better manage traffic on the Combined Network. This means, for example, that voice packets can be given priority over data packets to avoid interruption to voice communications.

Customers connect to the Combined Network through a coaxial connection from one of Telenet's nodes. Amplifiers are used on the coaxial lines to strengthen both downstream and return path signals on the local loop. Network quality usually deteriorates as customer penetration rates on any particular node increases. When required, the scalability of Telenet's network enables it to address this problem, within limits, through node splits. Telenet uses node splits, among other measures, to manage potential congestion in the Combined Network.

Telenet's network operating center in Mechelen, Belgium, monitors performance levels on the Combined Network on a continuous basis. Telenet has a separate disaster recovery site for back office systems, and its network has been designed to include redundant features to minimize the risk of network outages and disasters with the fiber optic rings designed to reroute traffic in the opposite direction around the ring in the event that a section of the ring is cut. Telenet has insured its buildings, head end stations, nodes and related network equipment against fire, floods, earthquakes and other natural disasters, but is not insured against war, terrorism (except to a limited extent under its general property insurance). Telenet carries insurance on its fiber optic network up to a capped amount, but does not carry property damage insurance for its coaxial network.

On the 1st of June 2022, Digital Bridge Investments LLC ("DigitalBridge") agreed to acquire Telenet's tower portfolio for a total consideration of €745 million on a cash-free and debt-free basis, fully payable in cash, valuing Telenet's tower business at 25.1x EV/EBITDAaL 2021. As part of the agreement, both parties entered into a multi-year partnership on June 1, 2022 through a Master Lease Agreement ("MLA") for an initial period of 15 years and two renewals of 10 years each. This agreement also includes a build-to-suit ("BTS") commitment to deploy a minimum of 475 additional new sites with Telenet acting as a subcontractor to Belgium Tower Partners NV, resulting in additional proceeds to Telenet over time. Following the sale, Belgium Tower Partners NV now holds all of Telenet's mobile passive infrastructure and tower assets: an attractive high-quality portfolio of 3,326 sites across Belgium, including 2,162 owned sites, of which nearly 38% are towers, and 1,164 third-party sites.

In March 2022, BIPT allocated the reserved spectrum in the 900 MHz (2x5 MHz), 1800 MHz (2x15 MHz) and 2100 MHz (2x10 MHz) frequency bands to Telenet for €73 million. The frequencies obtained through the auction procedure, which began on 1 June 2022 and ended on 20 June 2022, were added to these frequencies. In total, Telenet obtained (including the reserved spectrum) 2x5 MHz in the 700 MHz band, 2x10 MHz in the 900 MHz band, 2x20 MHz in the 1800 MHz band, 2x15 MHz in the 2100 MHz band and 100 MHz in the 3500 MHz band, for a total amount of €264.3 million.Telenet will be able to use these frequencies for a period of 20 years, except for the frequencies in the 3500 MHz band, which will expire on 6 May 2040. Thanks to this combination of frequencies, Telenet will be able to continue its mobile rollout plan. On the one hand, the renewal of the existing spectrum will enable it to secure the continuity of service of its existing networks. And on the other hand, with the spectrum obtained in the 700, 900 and 3500 MHz frequency bands, Telenet will be able to expand its 5G network and offer its residential and business customers an even better 5G experience.

Telenet announced the switch off the 3G signal on its mobile network in two years' time, as of September 2024. The vast majority of mobile devices are currently already running on the more recent 4G or 5G technology for calling, mobile surfing and texting. After the switch-off, the 3G frequencies will be used to make this 4G and 5G network even faster and more reliable.

Telenet also offers new Voice-over-WiFi -and Voice-over-LTE services, improving indoor coverage and delivering HD sound quality. At the end of 2021, the high quality of Telenet's mobile network was recognized again by the BIPT, the national telecoms regulator in Belgium. The September-October 2022 drive tests revealed Telenet delivers the highest mobile download speeds of an impressive 82.4 Mbps on its 4G+ network. Telenet has been gradually launching its mobile 5G network since December 6, 2021. The first 5G zones are located around Leuven, Antwerp and the coast. The 5G network will be gradually rolled out over the next few years. By 2025, the entire mobile network of Telenet and BASE should be expanded with 5G. Currently 5G is available for all Telenet mobile products, while it is included for the BASE mobile brand in the high end postpaid rate plans.

1.7 Strategy

Transforming into a leading customer centric provider of connectivity, entertainment and digital services
Telenet held its Capital Markets Day in September 2022. Telenet intends to transform from the leading broadband, media and entertainment company into a leading customer-centric provider of connectivity, entertainment and digital services, and drive sustainable growth.

Telenet's strategic focus areas can be summarized as follows:

- **Telenet**: Grow in Residential, Entertainment & Media, B2B and beyond with the simplest and most personalized offerings in the market
- **NetCo**: Build a leading fixed network together with Fluvius for consumers, businesses and wholesale customers
- T**ransform operating model**: Enable efficiencies and a leading digital experience via simplification, digitization and automation
- I**nvest for long-term value creation:** Invest into fixed and mobile networks to maintain a market-leading position, focused on long-term value creation
- **ESG at the heart of what Telenet does**: Telenet cares about society and the environment and are committed to its ESG targets as published in its 2021 Sustainability Report.

Building a highly valuable, future-proof network
Telenet's investments in a superior network infrastructure underpin growth in each of its domains. In addition to continued investments in its digital and data platforms (estimated at around €0.2 billion over the 2023-25 period) and a targeted 5G investment of €0.3 billion over the same period, the vast majority of Telenet's investments will be geared towards the upgrade of its hybrid coaxial network to Fiber-to-the-Home.

In July 2022, Telenet announced a partnership with Fluvius on the data network of the future in Flanders. Together, it will create a fully funded infrastructure company ("NetCo"), with Telenet owning a 66.8% stake and running an open access network open for multiple tenants on a non-discriminatory basis. NetCo plans to invest up to €2.0 billion to build the leading fixed network targeting to cover 78% of Telenet's footprint with fiber by 2038 with around 70% of premises connected in 2029. Telenet will actively seek opportunities for further network rationalization and CAPEX optimization. Telenet's NetCo plan is fully funded and will be independent from external financing. NetCo is well positioned to attract additional strategic and/or financial investors given its market-leading market penetration of close to 60% and its attractive financial profile.

Telenet and Orange Belgium NV have signed on January 30, 2023, two commercial fixed wholesale agreements (the "Agreements"), subject to the completion of the VOO acquisition by Orange Belgium. The Agreements will provide access to each other's fixed networks on a commercial basis for a 15-year period and will remain in force independently on the evolution of the current regulated open access model. Furthermore, the Agreements cover both current hybrid-fiber coaxial ("HFC") and future fiber-to-the-home ("FTTH") technologies in both network areas. Telenet strongly believes the Agreements will foster competition in the Belgian telecoms market, expanding customers' freedom of choice in terms of telecom operators and service offerings through at least three nationwide FMC providers.

Well positioned to weather the current turmoil
Telenet has a strong fully hedged capital structure, with no debt amortizations prior to March 2028, ample liquidity of approximately €1.6 billion (including full access to its undrawn Revolving Credit Facilities), and as such the NetCo investment plan is fully funded and de-risked from external financing. Telenet's net total leverage at December 31, 2022 reached 3.4x as its December 31, 2022 Adjusted EBITDAaL only included a seven-month lease expense for tower sites. Under the previous net total leverage definition, using net debt including leases divided by the last two quarters' annualized Adjusted EBITDA, Telenet's net total leverage was 3.9x at December 31, 2022. Against the current macro-economic backdrop, Telenet intends to maintain its consolidated net leverage ratio towards the lower end of the 3.5x to 4.5x range.

Ample value creation opportunities
Telenet: Leveraging its unique data and digital capabilities, Telenet will drive customer experience to the next level, by truly understanding its customers and prospects, while continuing to innovate and being personalized in everything Telenet does. Its Residential business will innovate further in fixed-mobile-convergence, In-Home Connectivity and top-notch entertainment (backed by a future-proof platform), where freedom of choice is key, and differentiate by applying a unique “Segment of One” customer targeting strategy. In Entertainment & Media, Telenet will leverage its broadcasting assets by anchoring local unique content and expanding proprietary productions internationally. In B2B, the Company will strengthen and expand its connectivity and ICT footprint through cross- and upsell, leveraging its new 5G capabilities and proactively engage in Managed Services. Telenet will continue to selectively expand beyond the core, into new business, powered by partnerships. This will drive top line growth across its Residential, Entertainment & Media, B2B and New Business domains. At the same time, Telenet aims to realize efficiencies from a further digitization and have shown a solid track record in this area as it reduced its expenses in IT and customer care by 15% over the 2018-21 period as guided in its December 2018 Capital Markets Day.

NetCo: As far as the NetCo transaction with Fluvius is concerned, Telenet awaits regulatory approval from the European Commission, expected by summer 2023. In addition to the clear future benefits from gradually moving to fiber-to-the-home across 78% of our footprint by 2038 (targeting around 70% in 2029), the Company remains committed to create value from increased penetration and bringing in additional strategic and/or financial investors. And as smart and experienced builders, Telenet will enable multiple efficiency levers to optimize its CAPEX spend.

Shareholder remuneration
As detailed during the September 2022 Capital Markets Day, Telenet's long-term consolidated ambition is to drive growth in both ARPU and customer base, translating into healthy top line growth. Through increased digitization, Telenet expects its operating costs to further decrease over time, boosting Adjusted EBITDA. After the NetCo network build and upgrade, Telenet expects a significantly lower CAPEX intensity across both its NetCo and Telenet businesses, translating into robust Adjusted Free Cash Flow growth and growth in Telenet's shareholder remuneration profile from the current policy as described below.

2. Discussion of the consolidated financial statements

2.1 Revenue by service

Telenet generated revenue of €2,665.0 million for the year ended December 31, 2022, which was up nearly 3% versus €2,595.8 million of revenue generated for the year ended December 31, 2021. The Company sold its mobile tower infrastructure business to DigitalBridge on June 1, 2022. This transaction had no meaningful impact on Telenet's revenue profile except for the loss of external rental revenue earned from other mobile operators. As of October 2022, Telenet's consolidated financial accounts also include the contribution from the media group Caviar in which Telenet holds a 70% shareholding and which is recorded under other revenue. For the year ended December 31, 2022 Caviar contributed €34.4 million to Telenet's revenue.

Excluding the impact of both transactions, Telenet's rebased revenue increased modestly over 1%, achieving the FY 2022 guidance of around 1% which Telenet set in February last year. For the year ended December 31, 2022, Telenet's total subscription revenue, which represents the sum of its cable and mobile subscription revenue, was up 1% compared to the year ended December 31, 2021 on both a reported and rebased basis. Approximately 74% of Telenet's revenue for the year ended December 31, 2022 was generated from monthly recurring subscriptions, while approximately 60% of its revenue benefited from the 4.7% rate adjustment as of mid-June 2022. Growth in Telenet's broadband and mobile telephony revenue of 3% and 6%, respectively, more than offset declines of 6% and 2%, respectively, in its fixed line telephony and video revenue.

For further information on Telenet's rebased financials and on Telenet's reported revenue by service, we refer to 2.11 Reconciliation reported versus rebased financial information and note 5.19 Revenue to the consolidated financial statements of the Company.

2.1.1 Video

Telenet's video revenue represents the sum of (i) the monthly fee paid by its video subscribers for the channels they receive in the basic tier, (ii) recurring set-top box rental fees, (iii) fees for supplemental premium content offerings, including its subscription VOD packages “Streamz”, "Streamz+" “Play More” and “Play Sports” and (iv) transactional and broadcasting-on-demand services. Telenet's video revenue for the year ended December 31, 2022 amounted to €535.4 million, representing a 2% year-on-year decrease on both a reported and rebased basis, reflecting (a) a lower average number of video RGUs and (b) the continued shift in revenue allocation from the new "ONE" FMC bundles from fixed into mobile. These factors combined more than outweighed the benefit from the August 2021 and mid-June 2022 price adjustments.

2.1.2 Broadband internet

The revenue generated by Telenet's residential and small business broadband internet RGUs totaled €702.8 million for the year ended December 31, 2022, up 3% compared to the year ended December 31, 2021 on both a reported and rebased basis. This robust year-on-year performance reflected (i) the benefit from the August 2021 and mid-June 2022 price adjustments and (ii) the continued traction for its broadband propositions, which was partly offset by the aforementioned change in revenue allocation from its FMC bundles.

2.1.3 Fixed-line telephony

Telenet's fixed-line telephony revenue includes recurring subscription-based revenue from its fixed-line telephony subscribers and variable usage-related revenue, but excludes the interconnect revenue generated by these customers, which is reported under other revenue. For the year ended December 31, 2022, Telenet's fixed-line telephony revenue fell 6% year-on-year to €201.6 million on both a reported and rebased basis. This mainly reflected lower average RGUs over the period as detailed under 1.4.1 Fixed-line telephony and the aforementioned change in revenue allocation from the new "ONE" FMC bundles, which more than offset the favorable impact of the August 2021 and mid-June 2022 price adjustments.

2.1.4 Mobile telephony

Telenet's mobile telephony revenue represents the subscription-based revenue generated by its direct mobile telephony subscribers and out-of-bundle revenue, but excludes (i) the interconnect revenue generated by these customers, (ii) the revenue earned from handset sales and (iii) revenue recognized under its "Choose Your Device" programs, which are all recorded in other revenue. Telenet's mobile telephony revenue also includes the subscription and usage-related revenue generated by its SME and LE business customers. For the year ended December 31, 2022, Telenet generated mobile telephony revenue of €519.6 million, representing a 6% year-on-year increase on both a reported and rebased basis. The increase was mainly attributable to the impact of the August 2021 and mid-June 2022 price adjustments and continued growth of its mobile postpaid subscriber base. Furthermore, Telenet mobile telephony revenue benefited from the aforementioned revenue allocation shift from its latest FMC line-up.

2.1.5 Business services

The revenue reported under business services relates to (i) the revenue generated on non-coax products, including fiber and leased DSL lines, (ii) Telenet's carrier business and (iii) value-added services such as network hosting and managed data security. Revenue generated by Telenet's business customers on all coax-related products, such as its flagship "KLIK" bundle, is allocated to its cable subscription revenue lines and is not captured within Telenet Business, its business services division. Telenet's business services revenue no longer includes the subscription, usage-related and interconnect revenue generated by its SME and LE business customers, now reflected under mobile telephony and other revenue, respectively.

Telenet Business generated revenue of €179.7 million for the year ended December 31, 2022, representing a 1% year-on-year decline both on a reported and rebased basis, driven by lower fixed-line and ICT integration services revenue.

2.1.6 Other

Other revenue primarily includes (i) interconnect revenue from both Telenet's fixed-line and mobile telephony customers, including SME and LE business customers, (ii) advertising and production revenue from its media subsidiaries, (iii) mobile handset sales, including the revenue earned under "Choose Your Device" programs, (iv) wholesale revenue generated through both Telenet's commercial and regulated wholesale businesses, (v) product activation and installation fees and (vi) set-top box sales revenue. As of October 2022, Telenet's other revenue also includes the contribution from the acquired media business Caviar in which Telenet now owns a 70% shareholding.

Telenet's other revenue for the year ended December 31, 2022 reached €525.9 million, up 10% compared to the year ended December 31, 2021 and reflecting the aforementioned consolidation of Caviar in its other revenue. On a rebased basis, Telenet's other revenue for the year ended December 31, 2022 grew almost 3% driven by (i) higher wholesale revenue from both its regulated and commercial wholesale businesses, (ii) improved handset sales, (iii) higher advertising and production revenue and (iv) higher roaming revenues. These factors more than compensated for a continued decline in interconnect revenue, reflecting the impact of the COVID-19 pandemic on customer behavior and related increased usage of OTT applications.

2.2 Total expenses

For the year ended December 31, 2022, Telenet incurred total expenses of €2,089.5 million, representing a 5% increase compared to the year ended December 31, 2021, including (i) the inorganic impact from the Caviar acquisition as of October 2022 and (ii) €2.6 million costs to capture to prepare the go-live of NetCo once regulatory approval has been obtained. Total expenses represented approximately 78% of revenue for the year ended December 31, 2022 (for the year ended December 31, 2021: approximately 77%).

Telenet's operating expenses, which include (i) network operating expenses, (ii) direct costs, (iii) staff-related expenses, (iv) sales and marketing expenses, (v) outsourced labor and professional services and (vi) other indirect expenses, increased 5% for the year ended December 31, 2022 compared to the year ended December 31, 2021, including the aforementioned acquisition effect. Excluding this inorganic impact, Telenet rebased operating expenses were up 2% year-on-year, reflecting the impact of both higher energy costs and overall inflation on certain of its cost lines.

For further information on Telenet's rebased financials, we refer to 2.11 Reconciliation between reported and rebased financial information. For more information on Telenet's expenses by nature, we refer to note 5.20 to the consolidated financial statements of the Company

2.2.1 Cost of services provided

Cost of services provided as a percentage of revenue represented approximately 51% for the year ended December 31, 2022 (for the year ended December 31, 2021: approximately 49%).

2.2.2 Selling, general and administrative expenses

Selling, general and administrative expenses represented approximately 28% of revenue for for the year ended December 31, 2022 (for the year ended December 31, 2021: approximately 28%).

2.3 Expenses by nature

2.3.1 Network operating expenses

Network operating expenses for the year ended December 31, 2022 were €205.5 million, which was stable relative to the year ended December 31, 2021 on a reported basis and represented a 4% year-on-year increase on a rebased basis. Telenet's total energy costs increased by €21.1 million for the year ended December 31, 2022 to €51.4 million as a result of globally higher energy prices following the war in Ukraine.

2.3.2 Direct costs (programming and copyrights, interconnect and other)

Telenet's direct costs include all of its direct expenses such as (i) programming and copyright costs, including costs related to the purchase of content for its "Streamz", "Streamz+" and "Play More" packages, as well as the costs related to the Belgian football broadcasting rights, (ii) interconnect costs and (iii) handset sales and subsidies. For the year ended December 31, 2022, Telenet's direct costs were €545.4 million, up 4% compared to the year ended December 31, 2021 and reflecting the aforementioned impact from the Caviar acquisition. Excluding this impact, Telenet's direct costs declined 2% year-on-year on a rebased basis as higher handset and CPE-related costs and roaming costs were more than offset by lower interconnect costs.

2.3.3 Staff-related expenses

Staff-related expenses for the year ended December 31, 2022 were €293.4 million, which represented a year-on-year increase of 6% both on a reported and rebased basis. This reflected (i) the effect of the 3.6% mandatory wage indexation as of early 2022 and (ii) a higher average headcount.

2.3.4 Sales and marketing expenses

Telenet's sales and marketing expenses for the year ended December 31, 2022 were €88.7 million representing a modest 1% increase year-on-year, due to time differences in some campaigns and tight cost focus. On a rebased basis, sales and marketing expenses remained broadly stable year-on-year.

2.3.5 Outsourced labor and professional services

Costs related to outsourced labor and professional services were €41.4 million for the year ended December 31, 2022, reflecting a year-on-year increase of 30% and 29% on a reported and rebased basis, respectively. Higher outsourced labor and professional services expenditures reflected amongst others (i) costs to capture to prepare the NetCo go-live, (ii) digital transformation costs and (iii) impacts of inflation. For the year ended December 31, 2022, Telenet spent €2.6 million for the launch of NetCo, which is pending regulatory approval by the European Commission.

2.3.6 Other indirect expenses

Other indirect expenses, which includes, amongst others, (i) IT expenses, (ii) outsourced call center costs and (iii) facility-related expenses, reached €116.8 million for the year ended December 31, 2022, representing a year-on-year increase of 13%. On a rebased basis, Telenet's other indirect expenses remained broadly stable compared to the year ended December 31, 2021, reflecting its continued tight cost control efforts.

2.3.7 Depreciation, amortization and restructuring, incl. impairment of long-lived assets and gain on disposal of assets

Depreciation and amortization, including impairment of long-lived assets, gain on disposal of assets and restructuring charges, reached €772.9 million for the year ended December 31, 2022 and included a €33.7 million impairment on some of Telenet's media assets.

2.4 Net result

2.4.1 Finance income and expenses

Net finance income for the year ended December 31, 2022 totaled €246.5 million compared to net finance expense of €79.4 million for the year ended December 31, 2021. Finance income for the year ended December 31, 2022 increased 124% year-on-year from €308.4 million to €690.7 million and included a €687.1 million non-cash gain on Telenet's derivatives compared to €306.7 million for the year ended December 31, 2021. Finance expense for the year ended December 31, 2022 increased 15% to €444.2 million from €387.8 million for the year ended December 31, 2021, reflecting a €78.6 milllion higher interest expense on financial liabilities, partially offsetting decrease in non-cash net foreign exchange loss of €22.3 million. Substantially all of Telenet's USD-denominated and floating rate debt has been hedged until the respective maturity dates, hence minimizing the impact of foreign exchange and interest rate fluctuations on its cash flows.

For further information, we refer to note 5.21 to the consolidated financial statements of the Company.

2.4.2 Impairment of investments in and loans to equity accounted investees

For the year ended December 31, 2022, Telenet booked a €63.4 million impairment on the investments it holds in the 50/50 joint venture Streamz and the Luxembourg-based cable operator Eltrona due to the adverse impacts of economic and competitive factors on forward-looking assumptions.

2.4.3 Remeasurement to fair value of pre-existing interest in an acquiree

Following the step acquisition of Caviar in October 2022, Telenet remeasured its previously held 49% interest in Caviar at fair value. This fair value valuation resulted in the recognition of a €15.7 million gain.

2.4.4 Gain on disposal of assets related to a subsidiary or joint venture

On June 1, 2022, Telenet successfully completed the sale of its mobile tower infrastructure business to DigitalBridge. This resulted in a gain on disposal of assets related to a subsidiary or joint venture of €371.7 million, favorably impacting net income for the year ended December 31, 2022.

2.4.5 Income taxes

Telenet recorded income tax expense of €145.6 million for the year ended December 31, 2022 compared to €113.3 million for the year ended December 31, 2021.

For further information, we refer to note 5.22 to the consolidated financial statements of the Company.

2.4.6 Net profit

Telenet realized a net profit of €997.0 million for the year ended December 31, 2022 compared to €393.6 million for the year ended December 31, 2021. The robust year-on-year increase was attributable to the aforementioned gain on disposal of assets related to the TowerCo transaction. Furthermore, the higher net profit reflected a significantly improved financial result as a result of a non-cash gain on Telenet's interest rate derivatives. For the year ended December 31, 2022, Telenet therefore achieved a net profit margin of 37.4%, marking a strong increase relative to the 15.2% for the year ended December 31, 2021.

2.5 Adjusted EBITDA and Adjusted EBITDAaL

For the year ended December 31, 2022, Telenet achieved Adjusted EBITDA of €1,373.8 million, which was broadly stable versus the €1,367.5 million it delivered for the year ended December 31, 2021.

Excluding the Caviar acquisition effect, which Telenet has started to consolidate as of October 1, 2022, its rebased Adjusted EBITDA was modestly up by nearly 1%. The increase in Adjusted EBITDA was predominantly driven by the favorable impact of the August 2021 and mid-June 2022 price adjustments which more than offset (i) the impact of higher inflation on both Telenet's staff-related expenses and costs related to outsourced labor and professional services, (ii) the impact of higher energy prices on its network operating costs and (iii) €2.6 million costs to capture to prepare the go-live of NetCo. Hence, Telenet delivered on its full year 2022 guidance of around 1% excluding the costs to capture. For the year ended December 31, 2022, Telenet achieved an Adjusted EBITDA margin of 51.5% compared to 52.7% for the year ended December 31, 2021.

On June 1, 2022, Telenet closed the sale of its mobile tower business to DigitalBridge and entered into a 15-year MLA and has started to make lease-related tower payments to DigitalBridge. Following this transaction, Telenet has started to include Adjusted EBITDA after leases ("Adjusted EBITDAaL") as a key financial metric, which includes depreciation expenses and interest expenses on leases. Adjusted EBITDAaL for the year ended December 31, 2022 reached €1,246.1 million, which was broadly stable compared to €1,250.4 million for the year ended December 31, 2021 given the start of lease-related payments for passive mobile infrastructure following the sale of its mobile towers as of June 2022. On a rebased basis, growth in Adjusted EBITDAaL was 1% compared to the year ended December 31, 2021. The Adjusted EBITDAaL margin for the year ended December 31, 2022 was 46.8% compared to 48.2% for the year ended December 31, 2021.

For further information on Telenet's rebased financials, we refer to 2.11 Reconciliation reported versus rebased financial information.

(€ in millions)	For the year ended December 31,	
	2022	2021
Profit for the period	**997.0**	**393.6**
Income tax expense	145.6	113.3
Share of the result of equity accounted investees	3.4	0.7
Impairment of investments in and/or loans to equity accounted investees	63.4	12.2
Remeasurement to fair value of pre-existing interest in an acquiree	(15.7)	—
Gain on disposal of assets/liabilities related to a subsidiary or a joint venture	(371.7)	—
Net finance expense (income)	(246.5)	79.4
Depreciation, amortization, impairment and gain on disposal of assets	770.5	725.1
EBITDA	**1,346.0**	**1,324.3**
Share based compensation	9.2	28.3
Operating charges related to acquisitions or divestitures	15.4	18.0
Restructuring charges	2.4	1.2
Measurement period adjustments related to business acquisitions	0.8	(4.3)
Adjusted EBITDA	**1,373.8**	**1,367.5**
Depreciation on assets under leases	(85.1)	(89.9)
Interest expense on leases	(42.6)	(27.2)
Adjusted EBITDAaL	**1,246.1**	**1,250.4**
Adjusted EBITDA margin	51.5 %	52.7 %
Adjusted EBITDAaL margin	46.8 %	48.2 %
Net profit margin	37.4 %	15.2 %

2.6 Capital expenditures

Accrued capital expenditures for the year ended December 31, 2022 reached €1,419.3 million, more than doubling versus the year ended December 31, 2021 and equivalent to approximately 53% of revenue over the period. Accrued capital expenditures for the year ended December 31, 2022 included an amount of €434.8 million related to the one-time recognition of the recently acquired multiband mobile spectrum licenses as well as the temporary extension of both the 2G and 3G mobile licenses until the end of 2022. In addition, accrued capital expenditures included €359.9 million of lease-related capital additions of which €329.1 million relates to lease additions previously classified as operating leases, and are hence excluded from Telenet's full year outlook. The vast majority of lease additions in 2022 related to the sale of Telenet's mobile towers and the start of our 15-year MLA with DigitalBridge. Finally, accrued capital expenditures for the year ended December 31, 2022 included a negative amount of €0.9 million related to the recognition of football broadcasting rights. Excluding all of these impacts, as per Telenet's FY 2022 guidance, accrued capital expenditures for the year ended December 31, 2022 were €656.3 million, equivalent to approximately 25% of revenue in line with Telenet's financial outlook, and representing a more moderate 21% year-on-year increase.

Capital expenditures related to customer premises equipment, which includes spending on set-top boxes, modems and WiFi powerlines represented €120.6 million for the year ended December 31, 2022, up 28% compared to the year ended December 31, 2021, driven by targeted set-top box and modem swap programs in addition to the continued roll-out of in-home connectivity devices. Capital expenditures related to customer premises equipment for the year ended December 31, 2022 represented approximately 18% of total accrued capital expenditures (excluding the recognition of certain football broadcasting rights, the aforementioned mobile spectrum licenses and certain lease-related capital additions).

Accrued capital expenditures for network growth and upgrades amounted to €125.8 million for the year ended December 31, 2022, marking a 82% increase compared to the year ended December 31, 2021 and predominantly reflected the start of Telenet's 5G roll-out and tactical fiber-related investments. For the year ended December 31, 2022, network-related capital expenditures represented approximately 19% of total accrued capital expenditures (excluding the recognition of certain football broadcasting rights, the aforementioned mobile spectrum licenses and certain lease-related capital additions).

Capital expenditures for products and services, which reflects investments in product development and the upgrade of IT platforms and systems, amongst others, totaled €166.3 million for the year ended December 31, 2022. This represented a noticeable 4% year-on-year decrease, reflecting lower spending on Telenet's IT upgrade program. Capital expenditures for products and services

represented approximately 25% of total accrued capital expenditures for the year ended December 31, 2022 (excluding the recognition of certain football broadcasting rights, the aforementioned mobile spectrum licenses and certain lease-related capital additions).

The remainder of Telenet's accrued capital expenditures includes (i) refurbishments and replacements of network equipment, (ii) sports and programming acquisition costs, including certain content acquired by De Vijver Media, (iii) certain recurring investments in its IT platform and systems, (iv) lease-related capital additions and (v) the aforementioned recognition of the mobile spectrum licenses. These reached €1,006.6 million for the year ended December 31, 2022, representing a 236% increase compared to the year ended December 31, 2021, caused by the aforementioned recognition of the recently acquired mobile spectrum licenses and the tower lease following the sale of Telenet's mobile tower business to DigitalBridge. Excluding the recognition of certain football broadcasting rights, the aforementioned mobile spectrum licenses and certain lease-related capital additions, other accrued capital expenditures reached €243.6 million, up 18% compared to the year ended December 31, 2021.

The above implies that approximately 62% of accrued capital expenditures for the year ended December 31, 2022 (excluding the recognition of certain football broadcasting rights, the aforementioned mobile spectrum licenses and certain lease-related capital additions) were scalable and subscriber growth related. Telenet continues to closely monitor its capital expenditures in order to drive incremental returns and shareholder value.

(€ in millions)	For the year ended December 31,	
	2022	2021
Accrued capital expenditures	**1,419.3**	**635.6**
Assets acquired under capital-related vendor financing arrangements	(72.6)	(53.3)
Assets acquired under lease agreements	(359.9)	(49.5)
Changes in current and non-current liabilities related to capital expenditures	(465.7)	(53.7)
Cash capital expenditures	**521.1**	**479.1**

2.7 Adjusted EBITDA less property & equipment additions

Telenet yielded an Adjusted EBITDA less property & equipment additions of €717.5 million for the year ended December 31, 2022 compared to €824.7 million for the year ended December 31, 2021. The 13% year-on-year decrease was mainly driven by higher accrued capital expenditures versus the year ended December 31, 2021 as explained above.

(€ in millions)	For the year ended December 31,	
	2022	2021
Adjusted EBITDA	**1,373.8**	**1,367.5**
Accrued capital expenditures	(1,419.3)	(635.6)
Recognition of football broadcasting rights	(0.9)	58.4
Recognition of mobile spectrum licenses	434.8	16.8
Recognition of certain lease-related capital additions	329.1	17.6
Accrued capital expenditures excluding the recognition of football broadcasting rights, mobile spectrum licenses and certain lease-related capital additions	**(656.3)**	**(542.8)**
Adjusted EBITDA less property & equipment additions	**717.5**	**824.7**

2.8 Cash flow and liquidity

For further information, we refer to the consolidated statement of cash flows of the Company.

2.8.1 Net cash from operating activities

For the year ended December 31, 2022, Telenet's operations yielded €1,092.6 million of net cash compared to the €1,029.6 million generated for the year ended December 31, 2021. The 6% year-on-year increase in Telenet's net cash from operating activities was

driven by (i) modest Adjusted EBITDA growth, (ii) a much improved working capital trend as well as (iii) €8.7 million lower cash taxes paid relative to the year ended December 31, 2021.

2.8.2 Net cash from investing activities

Telenet generated €180.0 million of net cash from investing activities for the year ended December 31, 2022 compared to €497.6 million of net cash used in investing activities for the year ended December 31, 2021. The net cash from investing activities for the year ended December 31, 2022 reflected the cash received from the sale of the mobile tower business to DigitalBridge, which Telenet closed on June 1, 2022. Telenet utilizes a vendor financing program through which it is able to extend its payment terms for certain suppliers to 360 days at an attractive all-in cost. During the year ended December 31, 2022, Telenet acquired €72.6 million of assets through capital-related vendor financing arrangements (for the year ended December 31, 2021: €53.3 million), favorably impacting the net cash used in investing activities for the equivalent amount. Please refer to Section 2.6 - Capital expenditures for a reconciliation between accrued capital expenditures and cash capital expenditures.

2.8.3 Net cash from financing activities

For the year ended December 31, 2022, the net cash used in financing activities was €347.7 million compared to €474.5 million for the year ended December 31, 2021, representing a decrease of 27% year-on-year. The net financing cash flow for the year ended December 31, 2022 included the final dividend payment of €1.375 (gross) per share in May 2022 for an aggregate amount of €149.0 million, which complemented a similar intermediate dividend paid in December 2021. As detailed under 1.7 Strategy, the board of directors has reset the Company's dividend policy. In addition to a reduced dividend floor of €1.0 per share (gross), the dividend will be paid annually going forward with the next dividend payment being in early May 2023 following shareholder approval during the April 2023 AGM. In addition, the net cash used in financing activities for the year ended December 31, 2022 reflected (i) a net €86.7 million reduction in outstanding loans and borrowings, including scheduled repayments under Telenet's vendor financing program and (ii) €22.7 million spent under Telenet's Share Repurchase Program 2021, which started at the end of November 2021 and was completed end-February 2022. Under this program, Telenet repurchased 1.1 million treasury shares for an aggregate amount of €35.4 million, which have been cancelled in full in March 2022. The remainder of the net cash used in financing activities primarily consisted of lease repayments and other financial payments.

2.8.4 Adjusted Free Cash Flow

For the year ended December 31, 2022, Telenet generated €409.0 million of Adjusted Free Cash Flow compared to €404.9 million for the year ended December 31, 2021. This achievement was in line with Telenet's full year 2022 guidance of stable Adjusted Free Cash Flow. Telenet's Adjusted Free Cash Flow showed a modest 1% year-on-year increase and mainly reflected €8.5 million higher direct acquisition costs offsetting €8.7 million lower cash taxes paid relative to the year ended December 31, 2021 while its vendor financing program remained stable compared to the year ended December 31, 2021.

(€ in millions)	For the year ended December 31,	
	2022	2021
Net cash from operating activities	1,092.6	1,029.6
Cash payments for direct acquisition and divestiture costs	20.7	12.2
Operating-related vendor financing additions	345.3	350.8
Purchases of property and equipment	(295.9)	(277.1)
Purchases of intangibles	(225.2)	(202.0)
Principal payments on operating-related vendor financing	(355.1)	(344.0)
Principal payments on capital-related vendor financing	(62.8)	(65.1)
Principal payments on leases (excluding network-related leases assumed in acquisitions)	(42.0)	(40.8)
Principal payments on post acquisition additions to network leases	(34.4)	(32.4)
Adjusted Free Cash Flow (as previously defined)	**443.2**	**431.2**
Cash payments for direct acquisition and divestiture costs	(20.7)	(12.2)
Principal payments on pre-acquisition additions to network leases	(13.5)	(14.1)
Adjusted Free Cash Flow (as guided and currently defined)	**409.0**	**404.9**

2.9 Debt profile, cash balance and net leverage ratio

2.9.1 Debt profile

At December 31, 2022, Telenet carried a total debt balance (including accrued interest) of €6,654.9 million, of which €1,473.7 million principal amount is related to the € and USD-denominated Senior Secured Fixed Rate Notes due March 2028 and €3,252.8 million principal amount is owed under its 2020 Amended Senior Credit Facility with maturities ranging from April 2028 through April 2029. Telenet's total debt balance at December 31, 2022 also included a principal amount of €345.9 million related to its vendor financing program as further detailed below. The remainder primarily represents lease obligations associated with (i) the June 1, 2022 sale of Telenet's mobile tower business to DigitalBridge resulting into a 15-year MLA, (ii) the long-term emphyotic lease with Fluvius for the use of its HFC network covering approximately one-third of Flanders prior to the anticipated closing of the NetCo transaction which Telenet expects by summer of 2023 and (iii) other leases. Finally, Telenet's total debt balance at December 31, 2022 also included outstanding liabilities of €399.7 million concerning the mobile spectrum licenses following last year's multiband spectrum auction as the Company has opted for annual deferred payments over the lifetime of each license as opposed to advance payments.

At December 31, 2022, Telenet carried €345.9 million of short-term debt related to its vendor financing program, all of which is maturing within less than twelve months and which carries a margin of 195 basis points over EURIBOR (floored at 0%). In line with its FY 2022 outlook, the short-term debt under Telenet's vendor financing program remained broadly stable compared to December 31, 2021 (€346.0 million). Telenet anticipates a broadly stable evolution in 2023 compared to December 31, 2022, as embedded in its FY 2023 Adjusted Free Cash Flow outlook, yet with a certain seasonality in some of its payments from quarter to quarter.

Except for Telenet's vendor financing and mobile spectrum commitments, all of its floating interest rate and foreign exchange currency risks have been hedged until the maturity of such debt instruments through a series of derivatives, improving the visibility on its future Adjusted Free Cash Flow and minimizing exposure to financial market fluctuations. Excluding short-term liabilities related to its vendor financing program, Telenet faces no debt maturities prior to March 2028 with a weighted average maturity of approximately 5.5 years at December 31, 2022. Finally, Telenet also had full access to €555.0 million of undrawn commitments under its revolving credit facilities at December 31, 2022, with certain availabilities up to September 2026.

2.9.2 Debt overview and payment schedules

For an overview of the Company’s debt instruments and payment schedule at December 31, 2022 we refer to note 5.13.3 to the consolidated financial statements of the Company.

2.9.3 Cash balance and availability of funds

At December 31, 2022, Telenet held €1,064.4 million of cash and cash equivalents compared to €139.5 million at December 31, 2021. The robust year-on-year increase in Telenet's cash balance reflected the sale of its mobile tower business to DigitalBridge in early June 2022.

Telenet intends to actively use its cash balance over the next couple of years to fund NetCo's up to €2.0 billion fiber-to-the-home deployment as communicated earlier, resulting in a fully funded investment plan without any interdependencies on financial markets. In order to minimize the concentration of counterparty risk and to enhance the yield on its cash balance, the Company has invested the vast majority throughout a range of money market funds with highly rated European and US financial institutions.

In addition to its available cash balance, Telenet also had full access to €555.0 million of available commitments under its 2020 Amended Senior Credit Facility and its other revolving credit facilities, subject to compliance with the covenants mentioned below. As such, Telenet's total liquidity at December 31, 2022 reached an impressive €1,619.4 million, catering to a fully funded NetCo FTTH investment plan.

For further information, we refer to note 5.11 to the consolidated financial statements of the Company.

2.9.4 Net leverage ratio

Following the tower disposal and the subsequent move to Adjusted EBITDAaL, and effective 2022, Telenet has changed the way it calculates net total leverage. Net total leverage is now calculated using net debt excluding leases and is divided by the last two quarters' annualized Adjusted EBITDAaL. On this metric, Telenet's net total leverage at December 31, 2022 reached 3.4x as its December 31, 2022 Adjusted EBITDAaL only included a seven-month lease expense for tower sites. Under the previous net total

leverage definition, using net debt including leases divided by the last two quarters' annualized Adjusted EBITDA, Telenet's net total leverage was 3.9x at December 31, 2022.

Telenet's net covenant leverage, as calculated under the 2020 Amended Senior Credit Facility, differs from its net total leverage as it excludes (i) any vendor financing-related short-term liabilities, (ii) any liabilities related to the mobile spectrum licenses, yet includes (iii) the Credit Facility Excluded Amount (which is the greater of €400.0 million and 0.25x Consolidated Adjusted Annualized EBITDA) and (iv) divides Net Total Debt by the last two quarter's annualized EBITDA. Telenet's net covenant leverage reached 2.2x at December 31, 2022. Telenet's current net covenant leverage ratio is significantly below the springing maintenance covenant of 6.0x and the incurrence test of 4.5x net senior leverage. The aforementioned maintenance covenant only applies, however, in case Telenet would draw 40% or more under its revolving credit facilities. At December 31, 2022, Telenet's revolving credit facilities were fully undrawn as mentioned above.

For further information on our Consolidated Annualized EBITDA, we refer to 2.12 Reconciliation between profit for the period and Consolidated Annualized EBITDA.

2.10 Shareholder remuneration

As detailed during the September 2022 Capital Markets Day, Telenet's long-term consolidated ambition is to drive growth in both ARPU and customer base, translating into healthy top line growth. Through increased digitization, the Company expects its operating costs to further decrease over time, boosting Adjusted EBITDA. After the NetCo network build and upgrade, Telenet expects a significantly lower CAPEX intensity across both its NetCo and Telenet businesses, translating into robust Adjusted Free Cash Flow growth and growth in its shareholder remuneration profile from its current policy as described below.

In July 2022, as part of the NetCo transaction announcement with Fluvius, which is pending regulatory approval, the board of directors decided to reset the Company's shareholder remuneration policy in order to maintain a consolidated net total leverage of around 4.0x throughout the CAPEX-intense fiber build period. Over the 2023-2029 period, the board of directors decided upon an annual dividend floor of €1.0 per share (gross) to be paid annually in early May following shareholder approval at the statutory AGM in April. As such, the board of directors ensures a balanced approach with continued regular dividends whilst investing for future growth. After this build period, including 5G roll-out, the CAPEX intensity is expected to materially decrease and return to normalized historical levels, leading to substantial Adjusted Free Cash Flow growth and providing scope for significantly higher shareholder disbursements. At that point in time, the shareholder remuneration plan will be re-evaluated by the board of directors.

The board of directors has decided to propose to the Annual General Shareholders' Meeting in April 2023 to approve the payment of a gross dividend of €1.0 per share (€108.6 million in total). The proposed dividend will be paid using existing cash and cash equivalents and is in line with the Company's reset dividend floor of €1.0 per share (gross). If approved by shareholders, the dividend will be paid in early May 2023.

2.11 Reconciliation reported versus rebased financial information (unaudited)

For the year ended December 31, 2021

(€ in millions)	Reported				
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Revenue by nature					
Video	142.7	136.1	134.4	135.3	548.5
Broadband internet	168.4	169.4	170.3	172.1	680.2
Fixed-line telephony	55.3	54.0	52.8	53.5	215.6
Cable subscription revenue	**366.4**	**359.5**	**357.5**	**360.9**	**1,444.3**
Mobile telephony	117.7	120.3	127.9	126.5	492.4
Total subscription revenue	**484.1**	**479.8**	**485.4**	**487.4**	**1,936.7**
Business services	45.4	44.9	45.5	45.3	181.1
Other	116.4	117.7	109.7	134.2	478.0
Total Revenue	**645.9**	**642.4**	**640.6**	**666.9**	**2,595.8**
Operating expenses by Nature					
Network operating expenses	(57.7)	(48.4)	(51.6)	(47.5)	(205.2)
Direct costs (programming, copyrights, interconnect and other)	(128.6)	(121.7)	(130.7)	(141.0)	(522.0)
Staff-related expenses	(71.2)	(66.9)	(66.1)	(73.2)	(277.4)
Sales and marketing expenses	(19.3)	(20.0)	(20.5)	(28.3)	(88.1)
Outsourced labor and professional services	(7.1)	(8.1)	(8.4)	(8.2)	(31.8)
Other indirect expenses	(27.8)	(22.8)	(24.9)	(28.3)	(103.8)
Total operating expenses	**(311.7)**	**(287.9)**	**(302.2)**	**(326.5)**	**(1,228.3)**
Adjusted EBITDA	**334.2**	**354.5**	**338.4**	**340.4**	**1,367.5**
Adjusted EBITDA margin	51.7 %	55.2 %	52.8 %	51.0 %	52.7 %
Depreciation on assets under leases	(22.3)	(22.9)	(22.3)	(22.4)	(89.9)
Interest expense on leases	(6.7)	(7.0)	(6.7)	(6.8)	(27.2)
Adjusted EBITDAaL	**305.2**	**324.6**	**309.4**	**311.2**	**1,250.4**
Adjusted EBITDAaL margin	47.3 %	50.5 %	48.3 %	46.7 %	48.2 %

(€ in millions)	Reflecting (i) the sale of mobile tower business on June 1, 2022 and (ii) the acquisition of Caviar Group on October 1, 2022				
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Revenue by nature					
Video	—	—	—	—	—
Broadband internet	—	—	—	—	—
Fixed-line telephony	—	—	—	—	—
Cable subscription revenue	**—**	**—**	**—**	**—**	**—**
Mobile telephony	—	—	—	—	—
Total subscription revenue	**—**	**—**	**—**	**—**	**—**
Business services	—	—	(0.3)	(0.1)	(0.4)
Other	—	(0.3)	—	34.7	34.4
Total Revenue	**—**	**(0.3)**	**(0.3)**	**34.6**	**34.0**
Operating expenses by Nature					
Network operating expenses	—	1.3	3.5	3.5	8.3
Direct costs (programming, copyrights, interconnect and other)	(1.1)	(1.3)	(1.0)	(29.0)	(32.4)
Staff-related expenses	1.2	1.2	1.0	(2.2)	1.2
Sales and marketing expenses	—	—	—	(0.5)	(0.5)
Outsourced labor and professional services	—	—	—	(0.2)	(0.2)
Other indirect expenses	(0.1)	(1.7)	(5.4)	(6.0)	(13.2)
Total operating expenses	**—**	**(0.5)**	**(1.9)**	**(34.4)**	**(36.8)**
Adjusted EBITDA	**—**	**(0.8)**	**(2.2)**	**0.2**	**(2.8)**
Depreciation on assets under leases	—	0.3	0.9	0.6	1.8
Interest expense on leases	—	(2.1)	(6.5)	(6.6)	(15.2)
Adjusted EBITDAaL	**—**	**(2.6)**	**(7.8)**	**(5.8)**	**(16.2)**

(€ in millions)	Rebased				
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Revenue by nature					
Video	142.7	136.1	134.4	135.3	548.5
Broadband internet	168.4	169.4	170.3	172.1	680.2
Fixed-line telephony	55.3	54.0	52.8	53.5	215.6
Cable subscription revenue	**366.4**	**359.5**	**357.5**	**360.9**	**1,444.3**
Mobile telephony	117.7	120.3	127.9	126.5	492.4
Total subscription revenue	**484.1**	**479.8**	**485.4**	**487.4**	**1,936.7**
Business services	45.4	44.9	45.2	45.2	180.7
Other	116.4	117.4	109.7	168.9	512.4
Total Revenue	**645.9**	**642.1**	**640.3**	**701.5**	**2,629.8**
Operating expenses by Nature					
Network operating expenses	(57.7)	(47.1)	(48.1)	(44.0)	(196.9)
Direct costs (programming, copyrights, interconnect and other)	(129.7)	(123.0)	(131.7)	(170.0)	(554.4)
Staff-related expenses	(70.0)	(65.7)	(65.1)	(75.4)	(276.2)
Sales and marketing expenses	(19.3)	(20.0)	(20.5)	(28.8)	(88.6)
Outsourced labor and professional services	(7.1)	(8.1)	(8.4)	(8.4)	(32.0)
Other indirect expenses	(27.9)	(24.5)	(30.3)	(34.3)	(117.0)
Total operating expenses	**(311.7)**	**(288.4)**	**(304.1)**	**(360.9)**	**(1,265.1)**
Adjusted EBITDA	**334.2**	**353.7**	**336.2**	**340.6**	**1,364.7**
Adjusted EBITDA margin	51.7 %	55.1 %	52.5 %	48.6 %	51.9 %
Depreciation on assets under leases	(22.3)	(22.6)	(21.4)	(21.8)	(88.1)
Interest expense on leases	(6.7)	(9.1)	(13.2)	(13.4)	(42.4)
Adjusted EBITDAaL	**305.2**	**322.0**	**301.6**	**305.4**	**1,234.2**
Adjusted EBITDAaL margin	47.3 %	50.1 %	47.1 %	43.5 %	46.9 %

Rebased information for the year ended December 31, 2021: On June 1, 2022, Telenet successfully completed the sale of its mobile tower infrastructure business (“TowerCo”) to DigitalBridge Investments, LLC, an affiliate of DigitalBridge Group, Inc. (“DigitalBridge”). In addition, on October 1, 2022, Telenet closed the acquisition of an additional 21% stake in the media group Caviar; this acquisition brings its total shareholding to 70% and Telenet has consolidated Caviar's financial results since October 1, 2022. For purposes of calculating rebased growth rates on a comparable basis, Telenet has adjusted its historical revenue and Adjusted EBITDA to include the revenue and Adjusted EBITDA of TowerCo and Caviar, respectively, to the extent revenue and Adjusted EBITDA related to these transactions are now included in its current results. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis. Rebased growth is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is an additional measure used by management to demonstrate the Company’s underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

2.12 Reconciliation between profit for the period and Consolidated Annualized Adjusted EBITDA (unaudited)

The following table provides a reconciliation of the Last Two Quarter's Annualized (L2QA) Profit for the period to L2QA Adjusted EBITDA and L2QA Adjusted EBITDAaL

(€ in millions)	For the three months ended		For the six months ended	Last two quarters' annualized
	September 30, 2022	December 31, 2022	December 31, 2022	December 31, 2022
Profit for the period	**202.7**	**0.9**	**203.6**	**407.2**
Income tax expense	64.8	28.4	93.2	186.4
Share of the result of equity accounted investees	0.7	2.0	2.7	5.4
Impairment of investments in and/or loans to equity accounted investees	—	63.4	63.4	126.8
Remeasurement to fair value of pre-existing interest in an acquiree	—	(15.7)	(15.7)	(31.4)
Loss (gain) on disposal of assets/liabilities related to a subsidiary or a joint venture	(0.5)	(0.1)	(0.6)	(1.2)
Net finance expense (income)	(93.3)	29.0	(64.3)	(128.6)
Depreciation, amortization, impairment and gain on disposal of assets	167.2	239.3	406.5	813.0
EBITDA	**341.6**	**347.2**	**688.8**	**1,377.6**
Share based compensation	1.8	3.6	5.4	10.8
Operating charges related to acquisitions or divestitures	2.4	3.3	5.7	11.4
Restructuring charges	0.9	1.7	2.6	5.2
Measurement period adjustments related to business acquisitions	0.6	0.1	0.7	1.4
Adjusted EBITDA	**347.3**	**355.9**	**703.2**	**1,406.4**
Depreciation on assets under leases	(20.9)	(21.5)	(42.4)	(84.8)
Interest expense on leases	(13.7)	(13.4)	(27.1)	(54.2)
Adjusted EBITDAaL	**312.7**	**321.0**	**633.7**	**1,267.4**
Adjusted EBITDA margin	52.6 %	49.9 %	51.2 %	51.2 %
Adjusted EBITDAaL margin	47.3 %	45.0 %	46.1 %	46.1 %
Net profit margin	30.7 %	0.1 %	14.8 %	14.8 %

3. Risk factors

3.1 General information

Certain statements in this Annual Report constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. To the extent that statements in this Annual Report are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In particular, statements under section 1. 'Information on the Company' may contain forward-looking statements, including statements regarding Telenet's business, product, foreign currency and finance strategies in 2022, subscriber growth and retention rates, competitive, regulatory and economic factors, the timing and impacts of proposed transactions, the maturity of the Company's markets, the anticipated impacts of new legislation (or changes to existing rules and regulations), anticipated changes in Telenet's revenue, costs or growth rates, Telenet's liquidity, credit risks, foreign currency risks, target leverage levels, Telenet's future projected contractual commitments and cash flows and other information and statements that are not historical fact. Where, in any forward-looking statement, the Company expresses an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. In evaluating these statements, you should consider the risks and uncertainties discussed under 8.4 Internal Control and Risk Management Systems.

3.2 Legal proceedings

We refer to note 5.26.1 to the consolidated financial statements of the Company.

4. Information about subsequent events

We refer to note 5.30 to the consolidated financial statements of the Company.

5. Information on research and development

In a world of rapid technology developments, continuous investments in innovation are the lifeline of Telenet. Telenet takes a collaborative approach to innovation, actively partnering up with industry partners, academic institutions and startups. Telenet makes innovation investments in different activity domains.

Building high-performing fixed & mobile connectivity solutions

The explosion of fixed and mobile data usage demands a constant expansion of Telenet's network capacity. Thanks to the ongoing investments, Telenet has the fastest fixed, gigaspeed network in Belgium, which covers more than 95% of its footprint and is also a leading mobile network provider in Belgium.

Anticipating changing customer behaviors

Telenet is actively responding to changing customer behaviors by introducing innovative customer propositions that offer best-in-class, user-friendly products in simple and transparent bundles. Thanks to offers like "ONE(Up)", "BASE unlimited", "TADAAM" and "Safespot", customers can more easily compare products and make a fast and balanced choice that responds to their specific needs and expectations.

Creating amazing customer experiences

Positive customer experiences form the foundation for sustainable growth. Telenet is permanently optimizing its customer service models, adopting a more digital-first attitude, thus creating memorable experiences that enhance customer satisfaction.

Stimulating collaborative innovation

Telenet is building strategic partnerships that transform the telecom, media and entertainment business. Telenet takes a collaborative approach to innovation working closely together with partners. These efforts result in new, disruptive business models and innovative products and solutions that shape the digital age.

6. Use of financial instruments

The Company's activities are exposed to changes in foreign currency exchange rates and interest rates.

The Company seeks to reduce its exposure through the use of certain derivative financial instruments in order to manage its exposure to exchange rate and interest rate fluctuations arising from its operations and funding. The use of derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on the use of derivatives consistent with the Company's risk management strategy.

The Company has entered into various derivative instruments to manage interest rate and foreign currency exchange rates exposure. The Company does not apply hedge accounting to its derivative instruments. Accordingly, changes in the fair values of all other derivative instruments are recognized immediately in the Company's statement of profit or loss and other comprehensive income.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those host contracts and the host contracts are not carried at fair value with unrealized gains or losses reported in the statement of profit or loss and other comprehensive income.

For further information, we refer to note 5.14 to the consolidated financial statements of the Company.

7. Non-financial information

This non-financial statement is in accordance with the Belgian law on the disclosure of non-financial and diversity information by certain large companies and groups (2017/20487). The non-financial indicators disclosed in section 7.7 information - as required by article 3:32 par 2 of the Companies and Associations Code – have been prepared with reference to the 2021 Global Reporting Initiative (GRI) Standards.

7.1 Introduction

Telenet strives for sustainable growth with a good balance between operational excellence and societal responsibility, considering the social, economic and environmental impact of its business activities, as outlined in section 1. Information on the Company.

The Telenet materiality matrix

The Telenet sustainability program underscores the Company's commitment to its key stakeholders and reflects their interests as defined by the material issues. Telenet has identified the following key stakeholder groups: customers, employees, investors, suppliers, policy makers and the local communities. For more information on the Company's commitment to these stakeholder groups, please refer to the sustainability section of the Telenet corporate website.

The Telenet materiality matrix takes into account the most important societal trends and their impact on the Company's business scope and stakeholder landscape.

Most important trends

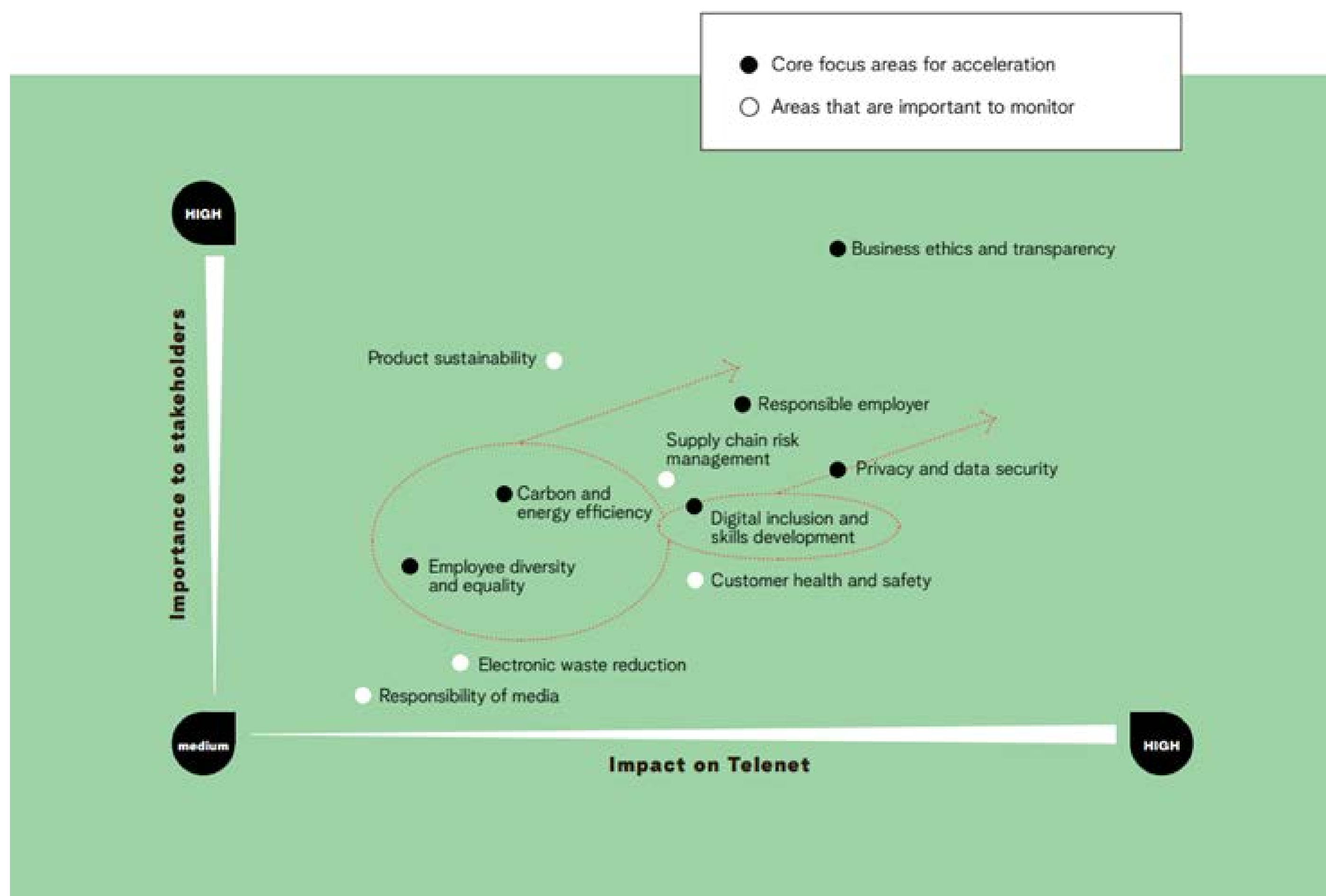
- **Living and working in the digital age:** Society is more reliant on new technology platforms and digital solutions than ever – a trend that has been accelerated by the COVID-19 pandemic. Technological innovation paves the way for a digital-first attitude in people's professional and private lives, for new ways of living and working, for new business models, and for new entertainment experiences. While technological advances create opportunities, they also present challenges such as protecting privacy and data security and digital well-being. The pandemic has also highlighted connectivity as a basic commodity, while also bringing the existing digital divide to light. This prompted telecom providers to make connectivity solutions accessible to all and pushed technology companies to increase their investments in digital inclusion and skills development.

- **Diversity, equity and inclusion:** The global pandemic crisis has not deterred efforts to build a more inclusive and equitable society, whether it be in the area of gender equality or minority rights. Responsible employers should respond to this call from society to strengthen their commitment to diversity, equity and inclusion, to formalize their policies and to build a culture of inclusiveness and belonging across their organizations.

- **Geopolitical tensions:** The outbreak of the Ukraine-Russia war in February 2022 and the resulting geopolitical tensions have created important socio-economic pressures across Europe, with rising energy prices and increased living costs that are negatively impacting businesses and citizens. These challenges are compounded by the lingering impact of the COVID-19 crisis on global supply chains, which is causing various disruptions, including shortages of components such as electronic chips, as well as manufacturing and shipping delays across industries. Ensuring responsible business practices and managing the supply chain in a responsible way is critical to maintaining resilient and sustainable operations.

First established in 2019, the materiality matrix includes eleven material topics. In 2021, the Company did update its management approach and prioritization of material issues to reflect the latest societal trends and market developments, including the socio-economic impact of the COVID-19 pandemic, the growing importance of environmental sustainability and the increased global focus on diversity, equity and inclusion.

While Telenet remained focused on the eleven material issues as adopted in 2019, it reviewed its list of core focus materialities: (i) Business ethics and transparency, (ii) Responsible employer, (iii) Digital inclusion and skills development, (iv) Carbon and energy efficiency, (iv) Employee diversity and equality, and (vi) Privacy and data security.



For each material issue, Telenet has identified the key business risks and opportunities and has defined a management approach. The present non-financial statement provides an insight in the six core material issues that have the largest impact on the Company and are of the highest importance to its main stakeholders.

For more information on the Company's material issues and their management approach, please refer to the sustainability section of the Telenet corporate website.

The management approach of the core material issues for Telenet

Material issue	Business risks and opportunities	Management approach
Business ethics and transparency: Promoting responsible business practices through robust commitments to anti-corruption, good corporate governance, open stakeholder communications and transparent pricing and billing.	The material issue of business ethics and transparency is a key driver for the Company's corporate reputation. It touches on all parts of its business operations and consequently requires appropriate attention from all business units and teams. Promoting responsible business practices allows Telenet to maintain and strengthen its license to operate. When properly managed, the business ethics and transparency issue has the potential to become a key differentiator from industry peers and competitors.	Monitoring all aspects of the business with several internal codes of conduct. Applying a dedicated anti-corruption and bribery policy and human rights statement, in line with international regulations and Belgian legislation. Striving for transparent pricing communications on the Telenet commercial websites, in the stakeholder communications, and commercial promotions and advertisements. Engaging in an open and constructive dialog with all stakeholders.
Responsible employer: Continuously improving employee well-being and engagement, stimulating diversity and equal opportunities, as well as attracting and developing talent.	Being a responsible employer is both a growth opportunity for Telenet and an important risk given the talent scarcity in the Belgian market. If successfully managed, this material issue can be a key differentiator from other market players, especially in the current context of the war for talent.	Creating career and growth opportunities by continuously investing in learning and development. Taking care of employee health and well-being while offering a flexible and safe work environment in uncertain and volatile times. Building an open and transparent company culture through internal communications and social dialog. Due diligence is guaranteed through continuous dialog and consultation with platforms such as the Works Council. Attracting and retaining the best talent (i) by investing in employer branding initiatives and talent recruitment and retention programs; and (ii) establishing structural cooperation programs with higher education institutions and universities, as well as NGOs that train untapped talent.
Digital inclusion and skills development: Providing access to connectivity for all and supporting educational programs that promote the development of STEM competencies and 21st-century digital and entrepreneurial skills.	The material issue of digital inclusion and skills development is crucial to the successful execution of the Telenet corporate strategy. The Company must respond to the call from governments, social organizations and academics to provide connectivity for all at an affordable price. Being active in a market that is rapidly digitalizing also means Telenet needs access to a digital-savvy workforce, so it is in its best interest to help develop talent pools and invest in initiatives to employ new (untapped) talent.	Investing in connectivity solutions that are accessible to all. Helping children, youngsters and young adults develop the skills that are needed to participate in digital society. Investing in life-long learning and personal development initiatives that build a digital-savvy workforce. Supporting and sponsoring third-party digital skills training programs for children, youngsters and young adults alike by establishing structural partnerships with content partners and educational experts.
Carbon and energy efficiency: Mitigating climate-related risks, reducing CO_2 emissions and increasing energy efficiency by switching to renewable energy sources, and by implementing energy efficiency initiatives in buildings, network infrastructure, data centers and mobility solutions.	The material issue of carbon and energy efficiency has become a very material topic for Telenet. Although non-compliance with climate regulations is associated with risks, carbon and energy efficiency is considered an important opportunity for the Company to (i) lower its environmental footprint, (ii) increase employee and customer engagement, and (iii) control costs.	Outlining the Company's approach to environmental management and its strategic priorities in the Telenet Environmental Management Policy Statement. Purchasing electricity from resources that have been certified as renewable, following the relevant Belgian (regional and federal) and European standards. Developing and rolling out emission reduction programs across the operations to improve the energy and carbon efficiency, and to reach a Net Zero target in the own operations by 2030.

Material issue	Business risks and opportunities	Management approach
Employee diversity and equality: Building a diverse and inclusive working environment, providing equal opportunities to all employees, and prohibiting any form of discrimination and harassment.	As a responsible employer, Telenet should actively invest in the material issue of diversity and equity in order to attract and retain the best talent.	Establishing a formal Diversity, Equity and Inclusion policy that promotes an inclusive culture, integrates diversity in the employee journey and promotes inclusive communications. Gender equity and multicultural diversity will be the key focus. Being open to and welcoming of people regardless of their origins, age, gender, religion or culture.
	If properly managed, this material issue can be a key differentiator from other market players and help the Company improve its reputation, employee engagement and innovation capability.	Giving opportunities to people who face disadvantages on the labor market, or who are re-entering the workforce after a long-term illness.
Privacy and data security: Putting in place strict privacy and security measures to prevent unauthorized access to computers, databases and websites, and to protect the personal information and data of customers.	The material issue of privacy and data security is central to the Company's business activities and mission-critical in a digital society.	Establishing a clear customer data policy: the Telenet Customer Data Policy describes what information the Company processes, why it does this and what the customers' rights are. The policy is fully compliant with the EU General Data Protection Regulation (GDPR). Making internal policies on the protection of customer data and privacy more transparent and clearer, in consultation with local data protection authorities.
	Breaches of applicable legislation or other failures to properly manage this issue – the EU General Data Protection Regulation (GDPR) in particular – could have major financial and reputational repercussions for Telenet.	Discussing all privacy matters and priorities through the Privacy Council, which includes representatives from our different business departments. Ensuring data security: through the Security Council, the Company formulates strategic recommendations on risks and threats arising from malicious or erroneous use of data. Duly updating and activating employees on privacy and security through trainings and regular information sharing.

In view of compliance with the upcoming Corporate Sustainability Reporting Directive as recently adopted by the European Commission, the Company is currently reviewing its materiality matrix, following the double materiality principle. Telenet aims at presenting its updated materiality matrix in the 2022 Sustainability Report, to be published in June 2023.

2021-2025 Telenet sustainability strategy

In June 2021, the Company has announced its new 5-year sustainability strategy framework, aligning the Telenet business priorities with its purpose and commitment to provide consumers, businesses, and society technology to help advance human progress. To reach this goal, Telenet has identified three main focus domains with related long-term targets: (i) drive progress by accelerating 150,000 people and businesses in the digital age by 2030; (ii) stimulate empowerment by being internally and externally recognized as an inclusive and purpose-driven organization that can rely on a future-proof workforce, and (iii) take environmental responsibility by adopting a Net Zero target and embracing more advanced circular economy practices by 2030. These focus domains are underpinned by the Company's ongoing commitment to ensure business ethics and transparency and safeguard privacy and data security.

The Telenet sustainability strategy is supporting the ten Principles of the UN Global Compact and actively contributes to the Sustainable Development Goals of the United Nations.

For more information on the Company's sustainability strategy and its related programs and initiatives, please refer to the sustainability section of the Telenet corporate website.

Sustainability governance

As part of this strategy, Telenet has also sharpened its governance principles in order to better respond to the expectations of all stakeholders and to more stringent regulatory frameworks and standards. The Company applies four core governance principles:

(I) The Company commits to manage Environmental, Social and Governance (ESG) criteria as a risk.

Since 2021, the management of ESG-related risks has been embedded in the Telenet Enterprise Risk Management framework. For more information on this framework, please refer to Section 8.4 'Internal Control and Risk Management Systems' of the present report.

As part of the 2021 Enterprise Risk Management update, ESG has been identified as one of the company's top risk drivers potentially leading to reputational and financial damages. An update of the overall company risk heatmap was validated by the Senior Leadership Team in September 2022 and subsequently presented to the Audit and Risk Committee in October 2022.

In Q4 2021, the Risk and Compliance team performed a first detailed qualitative risk assessment of the ESG criteria starting from the key material issues and considering applicable regulation and sustainability reporting standards like the recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD). In alignment with internal stakeholders from across the organization a detailed long list of ESG risks was established. After refinement, the Company did identify a set of priority risks grouped into four categories:

- General ESG risks applicable to all dimensions of the sustainability agenda,
- Specific environmental risks,
- Specific social risks,
- Specific governance risks.

For more information, please refer to section 8.4.3.4.2 'ESG Risks' of the present annual report.

All prioritized ESG risks have been incorporated in the Enterprise Risk Management framework and documented in a risk register that provides a detailed description of the risk, a risk assessment score based on business impact and likelihood, and an overview of existing mitigations and future mitigation plans. Each risk is allocated to a risk owner both at Senior Leadership Team-level and business operations level.

To ensure consistency across the risk register, the risk assessment of the ESG risks is performed using the same methodology as for non-ESG risks. As such, the same risk impact and likelihood criteria are applied, assessing the risks on a residual level. As far as the risk impact assessment is concerned, the financial impact of the ESG risks considers (i) cost reduction opportunities by proactively taking initiative and (ii) potential fines due to non-compliance with applicable regulation. Additional risk impact criteria include (i) service and business continuity impact (e.g. the impact of outages due to extreme weather conditions), (ii) legal and regulatory impact taking into consideration – if and when possible - both existing and future legal requirements, and (iii) strategy and reputation impact. The costs to mitigate ESG risks are not included in the financial impact but - where available - separately logged into the risk register.

As far as the environmental risks are concerned, the standard risk register has been extended to structurally capture all information as required by the TCFD classification such as transition risks, physical risks (acute and chronic), and the risks time horizon (short-, medium-, long-term).

The results of the detailed ESG risk assessment have been presented to the Senior Leadership Team and the Audit and Risk Committee in Q1 2022. In the course of 2022, the ESG risk assessment has been further elaborated whereby also more quantitative aspects have been considered. This risk assessment will be continuously further elaborated and fine-tuned.

(II) The Company commits to make ESG criteria an integral part of the business practices.

ESG targets have been included in the company-wide objectives for 2021 and 2022, which define the variable remuneration and bonus schemes of all Telenet employees. Back In May 2021, the Board of Directors did approve the new CEO Remuneration Plan, which includes a dedicated ESG target based on a qualitative assessment of the implementation status of the 2021-2025 sustainability strategy, with intermediate progress and impact measurements in 2023, 2024 and 2025. The ESG target accounts for 20 percent of the CEO Remuneration Plan. In July 2021, the Remuneration Committee did adopt new Long-term Incentive Plans for Senior Leaders, rewarding the successful implementation of the new sustainability strategy, with a key focus on (i) strengthening the

employee engagement and preventing stress-related absenteeism, (ii) increasing the Company's environmental responsibility by reducing the greenhouse gas emissions, and (iii) adopting a stricter protection of the customer's privacy and data.

(III) The Company commits to sharpen the roles and responsibilities of its sustainability governance bodies.
The Board of Directors addresses the sustainability agenda at least twice a year and is in charge of (i) providing strategic direction on ESG-related topics and (ii) approving the annual non-financial reporting. The Audit and Risk Committee is responsible for monitoring and assessing sustainability-related risks linked to the Company's material issues. A Senior Leadership Cluster Team – consisting of the Executive Vice-President People, Brand and Corporate Affairs as well as the Chief Technology Officer and the Chief Financial Officer – meets quarterly and is in charge of providing management guidance and monitoring the implementation of the sustainability agenda and reporting progress to the CEO and the Board of Directors. Finally, a dedicated Sustainability Expert Team oversees the day-to-day operations and program implementation in close cooperation with the Investor Relations team and all relevant business teams across the Telenet organization.

(IV) The Company commits to disclose its sustainability performance through transparent non-financial reporting and participation in third-party assessments.
Telenet reports on its sustainability performance in accordance with applicable sustainability reporting standards and regulations. The Company has recently established a readiness program to align the internal non-financial management and reporting practices to the requirements of the EU Taxonomy and the Corporate Sustainability Reporting Directive as approved by the European Commission in November 2022. This readiness program is steered by a multi-disciplinary team involving corporate governance, finance and sustainability experts.

The Company engages in an open and transparent dialog with its key institutional stakeholders by participating in third-party reviews and assessments, with focus on the S&P Global 'Corporate Sustainability Assessment' (CSA) and the EcoVadis review. In 2022, the Company did also respond – for the first time since 2016 - to the CDP Climate Change Program, the leading third-party assessment for climate and environmental performance and disclosure. Finally, the Company adopts the Equileap and Bloomberg Gender Equality indices to review its diversity, gender equity and inclusion performance.

In 2022, Telenet's commitment and effort to maintain the highest standards of ESG practices were rewarded by several third-party rating and benchmarking agencies. With a total score of 72 points, Telenet reconfirmed its membership for the twelfth consecutive year in the Dow Jones Sustainability Indices (DJSI), category Global Media, Movies and Entertainment Sector. The DJSI exclusively consist of leading companies that are best equipped to recognize and respond to emerging opportunities and risks resulting from global sustainability trends. Telenet also reached for the second time a Platinum rating (total score of 77 percent) in the annual EcoVadis assessment, a rating used by large corporate clients that wish to assess the sustainability performance of their main suppliers. In addition, Telenet achieved a promising B score in the Climate Disclosure Project (CDP) assessment, with strong performances in the areas of environmental governance, policies and reporting processes related to climate risks and opportunities. Finally, the Company has been included – for the first time – in the Bloomberg Gender Equality Index 2023, in recognition of investments made in female leadership & talent pipeline, equal pay and gender pay parity, and inclusive culture. In Autumn 2022, Telenet did also participate in the annual Gender Equality review by Equileap. The outcome of this assessment is expected to be published in the course of Q1 2023.

The forthcoming 2022 Telenet Sustainability Report will provide deeper insights in the Company's structural approach to sustainable development with focus on the progress made during the year ended December 31, 2022. The present statement outlines the Company's management of labor, environment and climate, community engagement, human rights, and anti-corruption and bribery issues, in accordance with the Belgian Law 2017/20487 on integrated non-financial reporting. The information included in the statement covers the Telenet business scope at year end.

7.2 Labor

Telenet's material issues: main risks

Derived from the Telenet sustainability priorities, the Company's main material issue in the area of labor is to be a responsible employer, which encompasses employee relations, employee remuneration and benefits, freedom of association and collective bargaining, sustainable employment, and the health, safety and well-being of employees.

Not being able to protect the well-being of employees is a key risk for Telenet. The high workload in times of change and uncertainly is creating extra pressure on the well-being of the workforce. The Company must closely monitor the well-being of its employees while establishing an improvement plan in close alignment with the social partners.

Another attention point in the area of health, safety and well-being is ensuring that Telenet creates a workplace that responds to the highest standards of ergonomics and accessibility.

The material issue of being a responsible employer also includes employee engagement and the attraction and retention of talent. The Company must proactively address the emerging risk of talent scarcity on the Belgian market, particularly in the domains of Science, Technology, Engineering and Mathematics ("STEM"), data and digital profiles. According to the 2022 EU Digital Economy and Society Index (DESI), the percentage of ICT specialists in Belgium stagnates at 5.6 percent of the total workforce while the number of ICT graduates remains low at 2.2 percent, which is below the European average. The demand for a more digitally skilled workforce is expected to further increase in the years to come. A severe labor shortage in the digital and data domains will limit companies to innovate and create sustainable business value. Increasing the number of ICT and STEM specialists, narrowing the gender gap, and upgrading the digital skills of the labor force are essential if Belgium wants to tap into the full potential of the digital economy. Telenet must therefore structurally invest in talent attraction and retention and drive lifelong learning initiatives for its current and future workforce in order to stay ahead on fast-changing market evolutions due to digitization and globalization.

In the area of labor, Telenet has also identified employee diversity and equality as a core material issue. It is the responsibility of the Company to (i) avoid unequal chances along the employee journey and (ii) to limit the number of discrimination, harassment and bullying cases.

If successfully managed, the material issues in the area of labor can become a key differentiator from direct competitors and other market players, especially in the current context of the war for talent.

How the Company addresses them: policies and due diligence

Telenet is committed to be a responsible employer, who creates a diverse and inclusive working environment that nourishes talent and stimulates engagement. The Company drives an employment policy that invests in talent growth, learning and development, diversity and inclusion, health and well-being and that generates an open and transparent company culture through internal communications and social dialogue.

Due diligence is present through the continuous dialogue and consultation with a variety of platforms such as the Committee for Prevention and Protection at Work ("CPPW") and the Works Council. The Company's Works Council has an equal representation and comprises the same number of employer and employee representatives. It is involved in the social, economic and financial policies of the company. In addition, Telenet's majority shareholder Liberty Global plc has established a European Works Council, in which Telenet has two representatives.

More information on Telenet's employment policies and programs can be found on the sustainability section of the Telenet corporate website.

Outcomes: Most important labor developments in the year ended December 31, 2022

The agile transformation in action

Telenet continued its transformation into a more performant and agile organization, built on a 'digital first attitude', in view of creating more empowered, productive, and expert-driven teams and individuals. This new way of working enables the Company to continue to respond quickly and accurately to the rapidly changing behavior of today's customers and stakeholders. The transformation of the Company's operating model is underpinned by reviewed human resources processes, such as role descriptions, function classifications and performance management procedures aimed at stimulating internal mobility and creating more dynamic career growth paths.

The Human Resources department takes a leading role in this transformation program and is in charge of ensuring the employees' well-being in times of change. It focuses on the development of an integrated, unified work environment with optimized business processes and IT systems that underpin the Company's employment policy. The transformation is being done in close alignment with social partners and is implemented in an open and transparent way through regular company-wide internal communications and personal alignment between staff members and people leaders.

Collective performance management

Back in 2020, the Company replaced the annual performance review process by a collective performance program underpinned by clear company-wide goals. Since 2021, Telenet incorporates an ESG target in the company-wide objectives in order to increase internal awareness and adoption of sustainability practices by the broader Telenet employee community. This ESG target complements the business and financial company-wide objectives and accounts for 10 percent of the overall company-wide objectives plan. The following ESG target applies to the whole Telenet organization:

- E: reduce commuting kilometers driven, decreasing emissions with 25 percent compared to the 2019 performance,
- S: reach a 97 percent completion rate (people leaders) and a 50 percent completion rate (non-leaders) for the unconscious bias training,
- G: reach a 97 percent completion rate for all mandatory, company-wide compliance trainings.

The 2022 ESG target completion will be assessed by the Remuneration Committee in Spring 2023, defining the bonus rate for all employees.

The shift to a collective performance plan led to a new approach to employee performance management and personal development. The Company drives the growth and engagement of its employees by stimulating continuous feedback on people 's individual contributions. Via the 'Let's Talk platform, employees are invited to regularly ask for and give feedback, taking a 360° degrees approach. This approach applies to 100 percent of the employee community.

Employee engagement

In order to measure and monitor the active engagement of its employees, Telenet conducts a Zoom employee engagement survey every year. Held in September 2022, the Zoom survey showed a high response rate of 84 percent and a strong score for sustainable employee engagement (80 percent). 89 Percent of the employees indicated they are proud to work for Telenet. The Company achieved strong scores for team collaboration (94 percent), inclusion (91 percent) and manager skills (88 percent). Key attention points are the talent retention (42 percent), the competitiveness of pay and benefits – reinforced by the increasing cost of living (43 percent) and the implementation of organizational change and transformation (47 percent). Additional improvement areas include the market position of Telenet and the overall trust in the Senior Leadership team. In parallel to the Zoom survey, Telenet regularly monitors the employee engagement and well-being through Mood polls. Completed by 75 percent of the employees, the Q4 2022 Mood check showed a drop in the sustainable engagement score (76 percent), a decrease with 4 percentage points compared to the Zoom engagement score in September. While employees do praise the strong team atmosphere, the flexibility in their job and the flexible work policy at Telenet, they clearly struggle with the high workload and the constant change which creates a general feeling of uncertainty.

Employee well-being and resilience in times of change

Ensuring the well-being of our employees is essential for Telenet. The Company's health and well-being policy includes flexible working hours, home - work arrangements, childcare facilities and contributions, and paid maternity/paternity leave. The Safety, Health and Environment team ensures the day-to-day follow-up of all well-being programs.

In Autumn 2021, Telenet adopted a remote working policy, developed in close alignment with the social partners. The policy sets out Telenet's vision on future, more sustainable ways of working. It applies to the whole Telenet workforce and is built on four principles:

- Telenet trusts and empowers teams to decide where they work most efficiently: telework is a choice, not an obligation,
- Social cohesion is and remains important. Telenet expects its employees to spend at least 40 percent of their working hours in the office every quarter in order to stay connected to the company, their teams and individual colleagues,
- The offices enable collaboration and connection, with increased investments in meeting rooms and collaboration areas, and aided by the use of digital applications,
- Employees can work remotely from anywhere in Europe, provided they have a stable Internet connection and there is an alignment with their team leader and team members.

A more sustainable and flexible mobility policy

The remote working policy is complemented by a mobility policy. Co-created with Telenet employees and in close alignment with the social partners, the mobility policy aims at providing employees with more sustainable and flexible mobility solutions. The policy will steer the shift to a greener and more eco-efficient fleet, in line with the Company's ambition to reduce its carbon emissions from mobile combustion with 60 percent by 2030. The policy also anticipates a decision by the Belgian federal government to limit tax reductions for company cars to zero-emission vehicles as from 2026. In 2022, 98 percent of the new lease car orders was already for hybrid or full electric cars.

The war for talent

A trend that does not only affect Telenet, but the economy at large is the growing digitization and its consequences for new ways of working. In a fast-changing and highly competitive market and a fierce war for talent, attracting and retaining the best talent is key.

In 2022, the Company has increased its focus on lifelong learning and personal development. Telenet is convinced that all employees should be enabled to continuously develop their competencies and craft their professional career in order to maximize their growth potential and long-term employability. Employees are therefore stimulated to reflect on their career and establish a personal dynamic growth path using the online Expedition T tool.

As part of this commitment to life-long learning and personal growth, Telenet did organize "Learning weeks" in Autumn 2022 to raise the employees' awareness on growth opportunities and learning paths. Attended by 1,027 employees (approximately one third of the Telenet employee population), the Learning weeks offered a wide range of training sessions, online learning experiences, expert keynotes and an internal trade fair to present the different departments within the Company and put their job vacancies on the radar of the broader employee community.

Like many other companies, Telenet faces a growing challenge in attracting technical experts like data scientists and information security specialists. In order to nurture tomorrow's workforce, the Company stimulates STEM education and skills development. Telenet also builds partnerships with education organizations and academic institutions to strengthen the digital knowledge and technical skills of Telenet's current workforce through initial training, reskilling, and upskilling, while also attracting new talent. Launched in November 2021, the Switch internship program offers Telenet employees with the opportunity to explore a new job opportunity within the Digital and Data teams. This four-months immersive growth program provides a mix of on-the job assignments, personal coaching, and formal training. If the internship experience is positively evaluated by the individual and the team, the employee has the possibility to permanently switch to the new job. In 2022, 29 employees did participate in the Switch program out of which 17 successfully shifted to a new position within the Company.

Finally, through the Accelerator program, Telenet stimulates highly talented people with the ability, social skills and aspiration to take on high-impact roles within the Company, to become true leaders with the potential to inspire, drive and elevate their teams and the broader organization. In Spring 2022, Telenet selected a first pool of 12 high potentials out of the senior leadership levels of the organization (bands 6-7) to participate in an intense training and coaching program. In December 2023, the Accelerator program was opened up to 30 additional high potentials out of the broader leadership community (band 5).

Embracing a culture of diversity, equity and inclusion

Telenet views diversity, equity, and inclusion as important drivers of innovation and sustainable business growth. They are key differentiators that position Telenet as a responsible company that is committed to the welfare of its employees, its customers, and local communities. The Company embraces an inclusive talent management policy that pays strong attention to diversity at every stage of the employment cycle. Telenet is committed to build a work environment that respects the diversity of all and that cultivates, fosters, and preserves a sense of inclusion and belonging.

In the 2022 Zoom engagement survey, 91 percent of the Telenet employees indicated they feel appreciated and respected by the people they work with, and 90 percent of the employees felt they can be themselves.

In June 2022, Telenet conducted a dedicated Diversity, Equity and Inclusion (DE&I) survey among the employees of Telenet and its main subsidiary Play Media (formerly known as SBS) to establish an initial diagnosis and maturity assessment of the DE&I landscape within both organizations. The survey showed a strong participation rate of 59 percent of the total population and positive scores: 79 percent of the respondents indicate they can be themselves every day at work; 82 percent feel Telenet and Play Media are places they can belong; and 82 percent believe the Company treats its customers fairly and with respect. While the overall results of the DE&I survey results are promising, a deeper analysis reveals several attention areas for Telenet and Play Media to proactively address: (i) a high number of respondents report a feeling of non-inclusion due to the strong Flemish, Dutch speaking company culture; (ii) the survey shows low levels of psychological safety. Women and people out of underrepresented groups (both from an ethnicity and a gender perspective) indicate Telenet and Play Media do not offer a working environment that empowers people to learn from their mistakes; and (iii) Senior Leadership advocacy for DE&I is seen by the respondents as rather low.

In order to fully reap the rewards of diversity, equity and inclusion, the Company understands that meaningful change must be implemented to address these attention points and to build a working environment and company culture that respect and value all employees and foster a sense of belonging.

The outcomes of the DE&I survey help Telenet to further refine its Diversity, Equity and Inclusion policy as defined in May 2021. This policy places a key focus on gender equity and multicultural diversity and is underpinned by clear targets, KPIs and initiatives. It is built around three main pillars: (i) nurture a culture of inclusion and belonging, (ii) protect diversity along the employee lifecycle and (iii) embed the principles of diversity and inclusion in all internal and external communications. The policy is translated into a series of concrete diversity and inclusion programs and initiatives:

- the implementation of an anti-discrimination policy as part of the Telenet Code of Conduct (2021);
- the roll-out of an unconscious bias training program for people leaders and the broader employee community. In 2022, this training was completed by 98 percent of the people leaders and 85 percent of non-leaders; employees;
- an increased focus on diversity and inclusion data collection and analysis at all stages of the employee lifecycle (attraction, retention, performance, promotion and remuneration);
- the integration of diversity and inclusion in recruitment processes by establishing structural partnerships with inclusive recruitment agencies;
- the publication of an inclusive communications charter that promotes the adoption of diversity and inclusion principles in employer branding, customer communications, and internal and corporate communications.

The Company aims for diversity and gender equity across the whole organization with a good representation of women in all positions: 37 percent of all Telenet employees are women, while the senior leadership team includes 25 percent women. Finally, the Company strives for diversity within its Board of Directors, creating a mix of executive directors, non-executive directors and independent directors, their diverse competencies and business experiences, their ages and nationality and their specific knowledge of the telecommunications and media sector. The Board of Directors currently includes four female members, representing 36 percent of the directors: Mrs. Amy Blair, Mrs. Lieve Creten, Mrs. Severina Pascu and Mrs. Madalina Suceveanu.

7.3 Environment and climate

As part of the Company's journey toward further stewardship of climate-related risks and opportunities, Telenet supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The following section follows the TCFD guidelines and is structured into four sections: Governance, Risk management, Strategy, and Metrics & Targets. This section will continue to evolve in the future as Telenet makes progress on its sustainability journey.

Governance

Telenet's governance of ESG topics including climate-related issues and opportunities is described in section 7.1 'Sustainability governance' of the present non-financial statement.

Risk Management

Telenet works on identifying the key climate-related risks and opportunities that have the potential to influence the Company's business activities, over short (1-3 years), medium (4-10 years) and long-term (>10 years). The following risks are categorized into two groups, as recommended by the TCFD framework: (i) transition risks, related to the transition to a low-carbon economy as a result of carbon policy changes, and (ii) physical risks, related to the physical impacts of climate change.

Overview of Telenet's main climate-related risks

Type	Climate-Related risks	Risk description	Time horizon	Potential impact
Transition Risks	**Policy & Legal**	Telenet is subjected to regulatory developments regarding climate-change issues and resource management at local, country, and European level. Telenet is particularly looking at legislation around end-of-life of electronic equipment (collection, reuse, disposal) including CPE's and other sold devices and network equipment.	Short-term	Looking at the recycling process of both hazardous and non-hazardous waste, the potential impact is not considered as severe, since Telenet complies with the already existing regulations.
	Technology	Telenet considers the failure to significantly reduce the Company's CO2e emissions from Scope 1 (mobile, static combustion, fugitive emissions), Scope 2 (purchased energy) and Scope 3 (upstream and downstream indirect emissions) as the key technological risks. These risks are driven by the increasing regulations on CO2e emission reduction. Looking at Scope 3, even though Telenet has little or no direct influence on the emissions caused by its suppliers, partners and customers, failing to engage with them will undermine the Company's credibility from a corporate responsibility and sustainability perspective.	Medium-term	When it comes to CO2 (Scope 1, Scope 2 and Scope 3) emissions, Telenet commits to submit Science Based Targets (SBTi) by end 2023 at the latest and to comply with regulatory requirements that are expected to increase in the future following the introduction of the EU Green Deal and its expected transposition into Belgian federal and/or regional climate plans. Considering the increased attention from Telenet's management on the topic, the likelihood of the risk is considered low. Although Telenet expects its electricity consumption to increase due to the roll-out of the 5G network, the Company does not expect these network investments to have a negative impact on the CO_2 emissions as Telenet seeks to eliminate the use of grey electricity in its operations.
	Market	The Belgian governments' planned energy transition away from nuclear energy towards less reliable renewable power sources (wind and solar) and fossil sources (gas power), as well as the volatility of the (fossil) energy price may cause unacceptable high energy prices and even power shortages, causing telecommunications and entertainment service unavailability. Therefore, increased attention is required to ensure the electricity supply at Telenet buildings, network infrastructures and data centers is adequately managed.	Short-term	Considering the constant persistent increase in costs of energy and the low visibility on energy usage of site rentals (grey energy sourcing), Telenet considers the likelihood of this market risk as high. Since the Company is proactively seeking to reduce energy consumption and increase electricity sourcing from renewables, the impact is considered as moderate.
	Reputation	In an environment of increasing climate-change awareness, stakeholders increasingly expect Telenet products and services to be environmentally friendly. Environmental and climate pressures related to the Company's operations need to be minimized by considering all aspects of the product lifecycle (emissions, waste and pollution, circularity).	Short to Medium term	Although the potential impact of these reputational risks is considered severe in the case they are not properly managed, there are currently no critical concerns for Telenet. The Company operates in line with waste management legislation and aims at optimizing current collection recycling flows for e-waste. It actively invests in the development of innovative products and solutions and aims at increasing its portfolio of sustainable products and at engaging customers in sustainability. Telenet will continue to analyze potential mitigations to reduce its impact by performing an assessment to visualize the complete product flow and its ecological footprint.

Type	Climate-Related risks	Risk description	Time horizon	Potential impact
Physical risks	**Acute and chronic physical risks**	Telenet's activities and the activities of its value chain are subject to increasing severity and frequency of extreme weather events such as floods, changes in precipitation patterns and extreme variability in weather patterns. Since Telenet's infrastructure (data centers, head ends, BTSs, street equipment) is vulnerable to higher average temperatures, the current trend of rising average temperatures and rising sea levels could also further impact the Company's operations.	Long-term	Telenet has identified several potential impacts from acute and chronic physical risks in its environmental risk heatmap. More specifically, Telenet's infrastructure is vulnerable to extreme weather events like extreme rain, storms and heat waves. In summer 2021, severe rainfall and water floods in Wallonia affected a number of mobile base stations, causing service outages and damage to civil and technical installations. Even though such events are exceptional, climate change is expected to increase their occurrence and severity, bringing along revenue loss, additional operating and capital costs for repairs, additional investments in cooling equipment, and health and safety risks for Telenet employees and subcontractors. The average temperature increase caused by global warming is not expected to be problematic for Telenet's infrastructure as technology is becoming heat-resistant faster than the temperature rises. The Company's suppliers are also subjected to the above risks. Decreased production capacity due to supply chain interruption, transport difficulties or closed facilities could lead to reduced revenues.

Overview of Telenet's main climate-related opportunities

Type	Opportunity description	Time horizon	Potential impact
Resource efficiency	The Company can derive opportunities from the use of more efficient and environmentally sustainable modes of transport for own operations and third-party transport. The supplier packaging solutions and transportation methods are taken into consideration upon supplier selection. Telenet requests its suppliers to reduce its packaging material by using perfect fit boxes and limiting the use of (plastic) fillers. At an early stage in the design phase of electronic devices, Telenet encourages the use of recycled materials, for instance for its latest generation decoders which are made out of 100 percent recycled plastics).	Short to medium term	Taking the opportunity to reduce energy consumption and increasing resource efficiency would positively impact operating costs and limit Telenet's exposure to electricity price increase.
Energy source	Telenet has a number of opportunities to increase the proprietary production of renewable electricity. Changing staff mobility towards alternative green solutions and electric vehicles brings cost and emission reduction opportunities, with a potential positive impact on the Company's reputation.	Short to medium term	Increasing own production of renewable electricity would decrease Telenet's dependency on the market and its exposure to increasing prices. Switching from a mainly fossil fuel powered fleet to full electric mobility and stimulating alternative mobility will have a positive impact on Scope 1 emissions and enable Telenet to continue benefiting from the federal tax relief schemes.
Resilience	Investing in innovative technologies like ghg-free cooling installations or non-fossil heating solutions in the network and facilities, can help reduce Telenet's emissions and those of its value chain. This also supports the durability of Telenet's activities against external factors.	Long-term	Improving Telenet's durability through resilience planning (e.g., infrastructure, buildings) would drive positive market valuation for the company. Conducting the same resilience planning with Telenet's suppliers is also key to increase the reliability of the supply chain and its ability to operate under various conditions, and mitigate climate-related costs (e.g., extreme whether events).

Strategy

To support the transition towards a low-carbon economy, Telenet is committed to further reduce its emissions of greenhouse gases. Based on the identified environmental risks and opportunities, Telenet has defined the following strategic priorities:

1. **Improving energy efficiency:** Telenet invests in various initiatives to continually reduce the energy consumption of its own operations and of its products at customers' homes and offices. The Company is also looking at reducing its electricity sourcing from non-renewable sources. It is why Telenet purchases electricity from renewable resources certified according to the relevant regional and federal Belgian and European standards. In 2022, the Company recorded 95 percent green energy use in its own and leased buildings. The Company also invests in the modernization and upgrade of its mobile and fixed network operations and implements innovative solutions to save energy in its technical stations and data centers. Finally, Telenet replaces old generation set-top boxes by more eco-friendly boxes with a lower energy consumption.

2. **Reducing greenhouse gas emissions:** Telenet perceives climate change as a potential threat and therefore manages it as a business risk. Telenet switches as much as possible to renewable energy sources and offsets emissions by investing in carbon compensation programs. As part of the Company's efforts to mitigate climate-change effects, Telenet has already realized a detailed qualitative and first high-level climate-related scenario analysis for transition risks aligning with a 1.5°C scenario. Following this analysis, energy efficiency measures and carbon reduction measures have been implemented across Telenet's activities. The Company will further deploy climate-related scenarios to improve management of physical climate-related risks.

    - **Scope 1 emissions:** Through the Telenet 'Move' program, the Company invests in a greener, more carbon-efficient fleet and commits to reduce the total number of kilometers driven annually with 5 percent from 2021 onwards. The Company commits to move less by stimulating home/remote work and by reviewing the Telenet offices strategy; to move differently by promoting micro-mobility solutions, public transport and carpooling; and to move better by investing in the electrification of the fleet. Telenet uses 2019 as the reference year for mobile combustion, considering the exceptional impact of the pandemic on employee mobility in 2020. While the mobile combustion emissions for 2020, 2021 and 2022 remain below the levels of the base year, Telenet still observes an increase in these emissions since 2020: a preliminary environmental data assessment for the 2022 reporting year indicates the Company has emitted 6,230 tonnes CO_2 due to mobile combustion (+ 935 tonnes CO_2 compared to 2021; + 1,761 tonnes CO_2 compared to 2020), showing the need for continued focus on internal awareness and behavioral change campaigns. The Company remains confident the gradual shift to a full electric car fleet will reverse this negative trend in the years to come.

    - **Scope 2 emissions:** For the 2022 reporting year, Telenet notices a further decrease of its Scope 2 emissions versus previous reporting years due to an improvement of the grid factor. As far as the reporting of green electricity use is concerned, an additional 1.2 GWh of electricity has been certified as renewable compared to the previous reporting year.

    - **Scope 3 emissions:** Telenet focuses on changing behaviors as it comes to business travel by adopting new policies and by promoting a digital first attitude. Still, the Company notices an important increase in emissions due to business land and air travel in the post-COVID-19 era (+ 658 tonnes CO_2 compared to 2021). Telenet also reports a 50 percent increase in emissions related to third-party transport, which can be explained by the fact the Company applied a more accurate calculation method, involving more suppliers in the data collection and incorporating more accurate data from these suppliers. The data provided directly by these suppliers were used to calculate the emissions from the broader supplier community on a spend basis. In 2022, Telenet continued its commitment to the Green Deal on City Logistics of the Flemish Government, by driving a series of proof of concepts for the last-mile delivery of goods to the Telenet and BASE shops in the cities of Mechelen, Ghent and Hasselt by using bikes and electric vehicles. In March 2022, Telenet also joined the Collaborative Urban Logistics and Transport (CULT) initiative to test an innovative concept for the smart bundling, transport and delivery of goods in the city center of Antwerp using green and sustainable transport solutions.

3. **Reducing the use of resources and generation of waste:** Telenet's approach to waste focuses on reducing the use of resources, recycling and refurbishment of customer premise equipment ("CPE"), and accurate waste disposal and processing. The Company contributes to the circular economy by developing circular supply chains, recovering and recycling materials, extending the product lifecycle through the refurbishment of CPE and by offering products as a service. With regard to reducing the use of resources and the generation of waste, Telenet continued its long-term

collaboration with the social profit organization Vlotter (IMSIR cbva) for the recycling and refurbishment of set-top boxes and modems. Telenet annually recycles more than 200,000 set-top boxes and modems through a reverse logistics solution. This allowed the Company to avoid 483 tons of electronic waste in 2022. In 2021, the Company extended the partnership with Vlotter to implement a smart and environmentally friendly packaging solution aimed at reducing the use of plastic covers for recycled modems and at reusing cardboard shipping boxes. On top of the environmental benefit, the long-term partnership has a positive social impact as Vlotter offers job opportunities to individuals with limited access to the labor market.

The successful integration and effective management of sustainability and specifically climate change requires a committed leadership, with clear direction and decision-making processes. The Telenet's Environmental Policy Statement outlines the Company's approach to environmental management. It underscores the commitment to environmental-friendly business operations, and it is aligned with the Sustainable Development Goals of the United Nations and the principles as set forward in the Paris Agreement on Climate Action.

For the Telenet Environmental Policy Statement, please refer to the sustainability section of the Telenet corporate website.

Metrics and Targets

Telenet has dedicated targets and commitments for energy efficiency and carbon emission reduction. These targets consider the extended mobile and fixed network infrastructure, the extended customer base and the growing complexity of operations systems and supply chain processes following a series of mergers and acquisitions since 2016.

Telenet realizes it needs to increase its ambition level as it comes to carbon efficiency and has – as part of its 2021-2025 sustainability strategy - strengthened its environmental responsibility by committing to a Net Zero target.

Early February 2022, Telenet has sent its commitment letter to the Science-Based Target initiative.

As part of this commitment, the Company is currently in the process of developing its climate action plan with the ambition to submit its Net Zero Science-based targets for approval in the course of 2023. These targets will be focused on further reducing the Company's Scope 1, 2 and 3 emissions and will be aligned with the Paris Agreement's 1.5 degree-reduction scenario. Unavoidable emissions will be offset through further investments in carbon compensation initiatives.

While Telenet is still in the process of doing more detailed calculations and scenario planning as part of its commitment to Science-based Targets, the Company aims at reaching at least the following emission targets, against base year 2020 and base year 2019 for mobile combustion:

- Scope 1 near term: emission reduction of 48 percent by 2030
- Scope 1 net zero: emission reduction of 90 percent by 2050
- Scope 2 near term and net zero: 100 percent renewable energy use by 2030
- Scope 3 near term: emission reduction of 25 percent by 2030
- Scope 3net zero: emission reduction of 90 percent by 2050

For an overview of Telenet's performance on key environmental metrics, please refer to section 7.7 of the present statement.

7.4 Community engagement

Telenet's material issues: main risks

One of the key material issues for Telenet is the topic of 'digital inclusion and skills development'. Building a digital-savvy workforce is crucial to executing the Company's corporate strategy as outlined in section 7.2 'Labor'. However, the Company's responsibility goes beyond its own direct business needs. It touches on the key role that government and corporate stakeholders ask Telenet to take as it comes to creating a digital society that is accessible to all. The Company is expected to structurally invest in initiatives that (i) help close the digital divide by providing affordable access to connectivity and hardware solutions to underserved populations and that (ii) stimulate the digital skills development of citizens across the local communities. Not proactively responding

to the call from stakeholders for meaningful community engagement might substantially harm the Company's corporate reputation and license to operate.

How the Company addresses them: policies and due diligence

As a leading telecommunications and media player in Belgium, Telenet is aware of the important role it plays in the Belgian society. The Company drives a community engagement policy that focuses on digital innovation as an engine to create a richer quality of life, sustainable economic growth, and increased education and employment opportunities.

At the same time, Telenet is also aware of the societal challenges that digitization brings. The Company therefore actively addresses the following digital society issues: (i) unlocking the potential of digital for all; (ii) empowering future generations in the digital age; and (iii) accelerating digital entrepreneurship.

Telenet annually monitors and manages its community investments through the Business for Societal Impact framework. In addition, the Company holds regular alignment meetings with the non-for-profit organizations and community initiatives that receive structural support, in order to assess their impact, to review and - if or when necessary- adjust the investment and refine the cooperation.

More information on this community engagement policy can be found on the sustainability section of the Telenet corporate website.

Outcomes: Most important community engagement investments in the year ended December 31, 2022

Unlocking the potential of digital for all

In 2022, Telenet's community engagement remained focused on developing structural digital inclusion programs in response to a persistent need for affordable Internet connectivity and hardware solutions. According to the Digital Inclusion Barometer 2022 (King Baudouin Foundation, September 2022), 8 percent of the Belgian households do not have access to a stable Internet connection at home. There are large disparities between income brackets, with one in five vulnerable households lacking connectivity at home.

This striking reality led the Company to develop a structural 'connectivity for all program' in the slipstream of the outbreak of the COVID-19 pandemic. Announced in October 2020, the Telenet Essential Internet program offers vulnerable citizens access to a basic Internet solution at an affordable and fixed monthly rate. The Telenet Essential Internet FIVE product provides users with the opportunity to read and send emails, to check social media, to do bank transactions and to connect to online job sites or school platforms. It runs on the mobile Telenet network and offers basic technical specifications at a fixed monthly rate of 5 euros per month.

Following a detailed evaluation of the test program by the academic research organization IMEC in summer 2021, Telenet decided to extend this basic connectivity offer with an additional product with higher technical specifications: the Telenet Essential Internet TEN product runs on the fixed Telenet network and allows end users to connect more devices and to enjoy a richer Internet experience at a fixed monthly rate of 10 euros per month. Both connectivity solutions are exclusively distributed through public social organizations and non-for-profits that fight poverty.

While the uptake of the Telenet Essential Internet still remains low with only 173 registered FIVE end users and 480 TEN end users at the end of December 2022, the Company notices a growing interest from social organizations to help promote and distribute the basic connectivity product among eligible individuals and households. Telenet will continue to invest in this structural 'connectivity for all' solution in 2023 and beyond, with the ambition to ultimately reach 10,000 vulnerable households per year.

In parallel to private-led 'connectivity for all' initiatives, the Belgian federal government has announced the adjustment of the existing social tariff plans, in agreement with the telecom providers and social stakeholders in the market. The changes will take effect starting 2024, opening up the social tariff to more than half a million households in Belgium.

With the prolongation of the 'Project Heartware', the Company continued its efforts to provide hardware to vulnerable families. Academic research (University Ghent, 2020) shows 20.7 percent of low-income households do not have access to a computer or laptop at home because they cannot financially afford it, while 30 percent of the low-income households also experience issues in using hardware due to a lack of digital skills. In 2022, the Company collected – in partnership with the social profit organization Ondernemers voor een Warm België - up to 4,000 second-hand laptops to be refurbished and distributed to vulnerable households across Belgium.

Promoting a digital lifestyle accessible to all

As a committed member of the local community, the Company continued its contribution to structural digital inclusion initiatives, promoting a digital lifestyle accessible to all. These investments aim at boosting innovation, creativity, and entrepreneurship, nurturing digital skills and reducing the digital divide. Telenet partnered-up with social organizations like Coderdojo Belgium, BeCentral Foundation, BeCode, YouthStart and Bibliothèques sans Frontières to strengthen the basic digital competencies and 21st century skills of children, youngsters, and adults through training and coaching programs.

Accelerating digital entrepreneurship

In parallel, the Telenet Business department continued its Digital Acceleration program for SME entrepreneurs by providing free consulting services on e-commerce, social media, and online security. Besides offering personal coaching, the Digital Acceleration program connects SME entrepreneurs with digital experts and coaches through an online matchmaking platform. Since the start of this platform in August 2019, the program has virtually reached and accelerated more than 4,229 entrepreneurs in Flanders and Brussels.

Community investments and employee volunteering

In 2022, the financial contribution from Telenet and its main subsidiary Play Media to charities and community initiatives amounted to 1,383,975 euros. These community investments were underpinned by an active involvement of Telenet employees. Since 2015, every Telenet employee can take two paid leave days per calendar year to do volunteering work. Employees contributed 568 hours to volunteering in 2022, mainly focused on education and digital inclusion initiatives. This is an important decrease compared to previous years. Additional efforts will therefore be made in 2023 to engage as many employees as possible by (i) expanding the range of volunteer assignments, (ii) increasing the support of people leaders to promote employee volunteering within their teams and (iii) by raising broad internal awareness.

Emergency relief actions in response to the war in Ukraine

Since the outbreak of the war in Ukraine in February 2022, Telenet has lived up to its corporate social responsibility by providing free, mobile connectivity access to Ukrainian refugees in Belgium, allowing them to stay connected to family and friends still in Ukraine. The Company has also supported Belgium’s local and regional governments by providing Internet access in refugee centers. In addition to these corporate support programs, Telenet facilitated employee initiatives to help Ukrainian refugees, like the collection of relief supplies. As a leading entertainment player, the Company also added relevant Ukrainian entertainment to its content catalog, like the Ukraine 24 and the Nickelodeon Ukraine channels. In 2022, the total value of the financial and in-kind contribution from Telenet and its main subsidiary Play Media to emergency relief actions for Ukraine amounted to 650,000 euros, while the financial support provided by the Telenet employee community equaled 20,000 euros.

7.5 Human rights

Telenet's material issues: main risks

Telenet’s commitment to human rights does not limit itself to its own operations but applies to the different stakeholder groups across the value chain. The Company has identified the most material human rights risks through the materiality assessment and an assessment of the implications of the UN Framework and Guiding Principles on Business and Human Rights.

Employees

With the exception of the Caviar Group, which operates from the United States and in which Telenet increased its share ownership from 49 percent to 70 percent in October 2022, Telenet's business operations are primarily located in Belgium and are covered by stringent local legislation and regulation. In January 2023, Telenet closed the acquisition of the remaining 50 percent (minus 1 share) in the Luxembourg-based cable operator Eltrona, which employs 142 employees. On top of legal obligations, the main human rights risks for Telenet's employees are equal opportunity, privacy and health & safety. A lack of understanding and non-respect of the Telenet Code of Conduct by employees represents an important human rights and governance risk for Telenet.

Customers

Substantially all of Telenet's customer base, with the exception of some of its media activities as referred to above, are located in Belgium and are covered by stringent local legislation and regulation. The Company must guard itself against non-compliance with GDPR and privacy regulations. Important attention points are also (i) the inability of the Company to identify and address data security threats in a timely manner, and (ii) inadequate day-to-day cyber security management. Telenet must also ensure creating trust and security in digital solutions while providing transparency on the potential health issues of technology innovations. Finally, Telenet must guard against unethical business practices in media and entertainment, while guaranteeing the freedom of expression.

Suppliers

An assessment of the implications of the UN Framework and Guiding Principles on Business and Human Rights on Telenet's business found that there is a significantly higher risk of disrespect and abuse of human rights in the supply chain. Key human rights risks in the supply chain include child labor, forced labor, working hours and wages, discrimination, freedom of association and health & safety. Finally, the non-respect of human rights, ESG policies and regulation by (potential) suppliers also represents an important risk to the Company.

How the Company addresses them: policies and due diligence

Guaranteeing the integrity of our business practices is one of the Company's key material issues. Telenet has several policies in place that demonstrate its commitment to human rights and the Company upholds high standards with regard to human rights as well as labor, environment, and anti-corruption. Where relevant, principles of the OECD Guidelines for Multinationals have been integrated in the Telenet Code of Conduct and the Supplier Code of Conduct.

Established in December 2020, the Human Rights Statement outlines the Company's commitment to meet the highest standards of corporate governance. It applies to all stakeholders, including the employees, the customers, the business partners, the suppliers, and the local communities Telenet is operating in. The Human Rights Statement promotes responsible business practices and ensures human rights are respected across the Company's value chain.

Employees

The Telenet Code of Conduct is signed by the management board, senior leadership, and all employees with confidential roles. It sets out the rules, standards and behaviors needed to conduct business with honesty and integrity, in accordance with high ethical and legal standards. The Code of Conduct is the leading policy for employees and covers human rights including equal opportunity, privacy and health & safety. It forbids discrimination and harassment of any kind. This commitment extends to all aspects of employment including recruitment, hiring, evaluation, promotion, compensation, training, development, and termination. The Telenet Code of Conduct also prohibits all political and charitable contributions or donations that could be considered a means of bribery or corruption. Employees can report compliance issues and breaches through the whistleblower procedure or the compliance mailbox. Complaints are handled by the Compliance team.

An annual internal assessment is conducted through the Global Prevention Plan ("GPP"). The objective of the 5-year GPP is to systematically and thematically manage the risks on work-related safety, health, ergonomics, hygiene, psychosocial well-being and environment. Risks can be identified through audits, risk analyses, accident and incident analyses, safety rounds, complaints, notifications, new or revised regulations and medical examinations. The GPP is annually updated taking into account the risks identified in the current calendar year or new/reviewed regulations and resulting in an annual action plan. The Global Prevention Plans and the annual action plan apply to the entire organization.

Customers

In compliance with all applicable legislation, Telenet has a dedicated Customer Data Policy in place that stipulates the collection, use, storage and protection of customer data, which settings the customer can control for the use of his/her personal data, how Telenet is authorized to contact the customer, and guidelines for passing on personal data to third parties. Internal guidelines on how to practically follow the policy and a specific training for employees have been developed in order to implement the policy. Following its rollout, Telenet engages with the Belgian Data Protection Authority for its practical implementation and potential sharpening of clauses where necessary.

As a leading provider of Internet services, Telenet has a social responsibility with regard to content. The Company should also safeguard the freedom of expression. Telenet's general principle is not to limit the freedom of expression in any way, except when requested to do so by an authorized authority. Together with other Belgian Internet providers, Telenet has signed a Protocol with the Belgian Gaming Commission in which Telenet, in cooperation with the Federal and Regional Computer Crime Unit, acts against websites offering illegal gambling. The judicial powers can also require the Company to block websites that violate copyrights or that distribute illegal pornographic material. Finally, as a member of the Association of Internet Service Providers in Belgium ("ISPA"), Telenet adheres to its code of conduct to prevent and combat child abuse via chat applications and websites.

When it comes to advertising and publicity the Company adheres to the rules set out by the Jury for Ethical Practices (JEP), the self-disciplinary body of the Belgian advertising industry that ensures advertisements are accurate and fair.

Suppliers

Telenet is committed to work with suppliers who strive for sustainable operations. All suppliers are required to comply with the Telenet Supplier Code of Conduct that explicitly outlines what the Company expects from organizations it works with. The Code includes a set of principles that are based on all applicable local and international laws and regulations regarding the environment,

health and safety and employment. It endorses international labor standards such as the ILO Fundamental Conventions and the UN Convention on Human Rights. In addition, suppliers must also agree to the Responsible Purchasing and Supply Chain Principles of Liberty Global. These principles implement international labor standards such as the International Labor Organization Core Conventions and the UN Treaty on Human Rights, Bribery and Corruption, Health, Safety and the Environment.

Together with Liberty Global, Telenet assesses and monitors compliance of its suppliers using the EcoVadis platform. The EcoVadis assessment covers 21 ESG indicators, including human rights (civil & political, social & cultural, and indigenous rights, collective bargaining, property, and privacy), and environmental, social, ethical and supplier risks. The Company launches a formal audit in the event of non-compliance and breaches. Corrective action plans are implemented with suppliers identified as 'high risk'. If no agreement is reached on an acceptable recovery plan, Telenet may end its business relationship with the given supplier.

For more information on the Company's policies and procedures, please refer to the sustainability section of the Telenet corporate website.

Outcomes: Most important human rights developments in the year ended December 31, 2022

Employees

In spring 2022, Telenet launched its annual online training to raise internal awareness and adoption of the Code of Conduct principles across the organization. The training was completed by 98.1 percent of the total workforce.

In 2022, two Code of Conduct incidents were reported by employees through the whistleblower procedure and the compliance mailbox, out of which one case was labeled as breach and resulted in a disciplinary action.

Customers

Telenet continues to strive for compliance with the General Data Protection Regulation 2016/679 ('GDPR') with:

- the set-up of a dedicated Data Protection Office and the appointment of a Data Protection Officer,
- the set-up of a dedicated first-line response team to investigate and act upon data breaches,
- the set-up of a dedicated customer care team to respond to data subject right requests,
- the implementation of privacy and security by design principles in the organization,
- the continuous update of internal procedures and IT systems to improve security (access, management, logging and monitoring, encryption, etc.), retention (deletion or anonymization of data after expiration of the retention terms) and transparency (data governance, data subject rights).

In 2021, the Company completed the review and revamp of the Telenet public privacy policy, with the active involvement of a Telenet customer panel. The review consisted in making the policy easier to read, more transparent and complete.

In 2022, the Data Protection office continued the implementation of the GDPR guidelines across the business operations, with particular focus on (i) the creation of a new register of the Company's data processing activities (ROPA); (ii) the completion of transfer impact assessments (TIA) for data transfers to countries outside the EEA; (iii) a review of the BASE public privacy policy; (iv) the drafting of dedicated guidance for Telenet partners and dealers; (v) the implementation of a new procedure to identify and authenticate new and existing customers; and (vi) the set-up of a first Data Protection Impact Assessment. Finally, the Data Protection Office did implement a new, dedicated privacy landing page on the Telenet website.

In 2023, the Data Protection Office will focus - among others - on the following key activities: (i) the adoption of a dedicated privacy policy for SOHO and business customers; (ii) the drafting of transfer impact assessments and data protection impact assessments as a continuous effort; and (iii) the replacement of the current model of privacy levels by a menu with more granular privacy choices.

Telenet annually drives a company-wide internal data protection and privacy training. For 2022, this training was completed by 97.5 percent of the Telenet employee population. In autumn 2022, the Company also ran an online training on cyber security which was completed by 97.2 percent of the total workforce. In 2023, the internal training will be complemented by a dedicated privacy training for business partners.

More information on Telenet's approach to privacy and data security can be found on the sustainability section of the Telenet corporate website.

As far as the health and safety implications of innovative technologies are concerned, the gradual roll-out of the 5G mobile network infrastructure in Belgium raises public concerns from regional governments and grass-roots organizations on the potential negative health impact of radio frequencies. The World Health Organization and the European Union follow the recommendations of the Non-Ionizing Radiation Protection (ICNIRP) on the protection of people and the environment from potentially harmful risks on non-ionizing waves. In Belgium, the regional governments have adopted far stricter standards as those of the ICNIRP. As a telecom provider we respect these radiation norms when building our mobile networks.

In Autumn 2022, the Walloon Regional Government committed to ease their radiation norms in order to facilitate the 5G roll-out across the region. In return, the Belgian telecom providers committed to a deployment of their 5G mobile telecom infrastructure with the highest respect of environmental standards and societal responsibilities. In parallel, the Belgian telecom providers will invest – in close cooperation with the telecom sector organization Agoria - in information and awareness campaigns for the general public on the health and safety implications of innovative mobile communications technologies.

Suppliers

Last updated in 2019, the Supplier Code of Conduct has been further embedded in the onboarding process of new suppliers. Suppliers are expected to formally accept the Supplier Code of Conduct. The outcomes of Telenet and Liberty Global's annual supplier assessment through the EcoVadis platform will be collected and issued in spring 2023, and the results will be reported in the forthcoming 2022 Telenet Sustainability Report to be published in June 2023.

In Spring 2022, Telenet reached out to its logistics service supplier PostNL, following a legal action from the Belgium prosecutor over the supplier’s non-respect of and non-compliance with social regulations. Telenet is closely monitoring the case and is awaiting the outcome of the court case to take a final decision on the commercial partnership with PostNL.

Following the outbreak of the war in Ukraine in February 2022, the Company did perform a detailed assessment of its suppliers with activities in Russia and Ukraine. The exposure to the business was defined as limited as Telenet engages with a very limited number of Russian and Ukrainian suppliers and as strategic suppliers did take actions to safeguard their business operations in the affected regions in a secure way. On the request of the European and Belgian authorities, Telenet stopped broadcasting Russian TV channels on its TV platforms.

7.6 Anti-corruption and bribery

Telenet's material issues: main risks

The Telenet anti-corruption policy identifies corruption and bribery risks in three categories:

- **Active public corruption:** Presenting a public official (or a person introducing himself as such), either directly or through an intermediary, with an offer, promise or benefit of whatever kind in favor of that same official or any other person, to adopt a particular course of action that could yield some kind of commercial advantage.
- **Active private corruption:** Presenting any other person (business partner, supplier…), either directly or through an intermediary, with an offer, promise or benefit of whatever kind in favor of that person or any other person, to perform or refrain from a particular action as part of his position within his company, without the knowledge and authorization of that person’s company.
- **Passive private corruption:** Requesting or accepting, directly or through an intermediary, an offer, promise or benefit of whatever kind from another person, without the knowledge and authorization of the Company, to perform or refrain from a particular action as part of his position at the Company.

Telenet has identified a number of high-risk departments - Finance, Corporate Public & Regulatory Affairs, Procurement, and Telenet Business - which present a higher risk of any of these types of corruption compared to the rest of the organization.

For more information on the Company’s policies and procedures, please refer to the sustainability section of the Telenet corporate website.

How the Company addresses them: policies and due diligence

The Telenet anti-corruption policy is in line with international regulations, the Belgian legislation and the policy of Liberty Global. The anti-corruption policy was reviewed in 2019 and has been approved by the Board of Directors and the Audit and Risk Committee. In addition, a separate Gifts & Hospitality policy was published. This policy prohibits the giving and taking of bribes, limits the giving and receiving of gifts, and includes a reminder to observe laws and regulations and, provides an obligation of transparency around political donations. The policies are clarified with the help of specific examples and practical guidelines. The anti-corruption policy is extensively communicated to all employees and agents, contractors and suppliers. Furthermore, anti-corruption and bribery is thoroughly addressed in Telenet's Code of Conduct.

Outcomes: highlighted anti-corruption and bribery developments in the year ended December 31, 2022

Telenet is fully committed to being a responsible company that considers the broader impact of its business activities and corporate decision making on the community. In November 2022, Telenet launched its bi-annual online training on anti-corruption and bribery for more than 600 Telenet employees with a (senior) management, financial, business sales and legal and regulatory profile. The training was completed by 97.9 percent of this target audience.

In the course of 2022, Telenet issued additional online and classroom trainings on compliance-related topics, including a training on competition law and Dealing Code (the latter completed by 98.6 percent of the target audience).

Employees can report anti-corruption and bribery compliance issues through the whistleblower procedure and the compliance mailbox. Complaints are handled by the Compliance team. In 2022, there were no corruption incidents reported.

Telenet actively engages with corporate stakeholders - including public authorities - through consultation and dialogue. The Company has established a Stakeholder Engagement Charter which was reviewed and updated in June 2020. This charter provides a number of principles that ensure Telenet develops lasting, trusted relationships with its corporate stakeholders in an open and transparent way.

7.7 Preliminary non-financial indicators according to selected GRI Standards

For final, detailed labor and environmental data, please refer to the Telenet Sustainability Report 2022 - June 2023

GRI Standard		Metric	For the years ended December 31, 2022	2021
	Labor[1]			
2-7	Employees	Headcount, year end	3,521	3,390
	Employees by contract type			
	Permanent contracts	Headcount, year end	3,446	3,351
	Temporary contracts	Headcount, year end	75	39
	Employees by contract type			
	Full time	Headcount, year end	3, 283	2,880
	Part time	Headcount, year end	238	510
2-30	Percentage of total employees covered by collective bargaining agreements	%	100	100
401-1	New employee hires	Headcount, total number of newly hired employees over the course of the year	457	329
403-2	Work-related fatalities	#	---	---
405-1	Percentage of individuals within the organization's governance bodies			
	Board of Directors			
	Men	%, year end	64	67
	Women	%, year end	36	33
	Senior Leadership Team			
	Men	%, year end	75	71
	Women	%, year end	25	29
	Environment[2]			
302-1	Total energy consumption within the organization	kWh	208,079,004	203,593,879
305-1	Direct (Scope 1) GHG emissions	Metric tons CO2e	8,723	7,507
305-2	Energy indirect (Scope 2) GHG emissions - market-based	Metric tons CO2e	1,250	1,998
305-2	Energy indirect (Scope 2) GHG emissions - location-based	Metric tons CO2e	28,987	29,213
305-3	Other indirect (Scope 3) GHG emissions	Metric tons CO2e	4,805	3,223
	Carbon credits	Metric tons CO2e	(8,473)	(8,473)
	Share of renewable energy	%	95	94
	Human Rights			
412-1	Total percentage of operations that have been subject to human rights reviews or human rights impact assessments	%	100	100
	Community Investments			
201-1	Total community investment	€	1,383,975	2,390,304
201-1	Employee volunteering work	#hours	568	1,633
	Anti-Corruption and Bribery			
205-3	Confirmed incidents of corruption	#	---	---

[1] Scope Labor data: Telenet BV and Play Media / [2] Scope Environment: Telenet Group Holding, incl. majority-owned subsidiaries

7.8 EU Taxonomy

Telenet has performed an eligibility and alignment assessment of its economic activities in accordance with Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, and amending Regulation (EU) 2019/2088, known as the EU Taxonomy.

Scope
Given the complexity of the EU Taxonomy, Telenet has deliberately chosen to focus its eligibility and alignment assessment on the economic activities performed by Telenet BV, Telenet Vlaanderen NV and Telenet Retail BV. The assessment currently excludes all other entities of the Telenet group. The scope is also limited to activities performed by Telenet itself and excludes activities performed by suppliers.

Telenet is committed to further refine and extend the scope of the eligibility and alignment assessment in view of future reporting purposes.

Methodology
Telenet has taken the following approach:

(i) Identification of relevant economic activities

- Identification of relevant economic activities on the basis of NACE-codes;
- Given that NACE is not considered exhaustive for purposes of reporting under EU Taxonomy, a gap analysis of relevant economic activities on the basis of Annex I of the Commission Delegated Regulation 2021/2139 on Climate Change Mitigation and Annex II of the Commission Delegated Regulation 2021/2139 on Climate Change Adaptation has been performed;
- Alignment with business controlling to cross-check final list of relevant economic activities.

(ii) Eligibility assessment

- Review whether the economic activities as identified under step (i) are covered by Annex I of the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 on Climate Change Mitigation;
- Review whether the economic activities as identified under step (i) are covered by Annex II of the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 on Climate Change Adaptation.

On the basis of steps (i) and (ii), the following eligible economic activities of Telenet BV, Telenet Vlaanderen NV and Telenet Retail BV were identified:

Environmental objective	EU Taxonomy Reference	Corresponding NACE reference (if any)
Climate Change Mitigation	4.1 Electricity generation using solar photovoltaic technology	D35.1.1
	6.4 Operation of personal mobility devices, cycle logistics	NA
	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1
	7.3 Installation, maintenance and repair of energy efficiency equipment	NA
	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA
	7.6 Installation, maintenance and repair of renewable energy technologies	NA
	7.7 Acquisition and ownership of buildings	L68.1.0
	8.1 Data processing, hosting and related activities	J63.1.1
Climate Change Adaptation	4.1 Electricity generation using solar photovoltaic technology	D35.1.1
	6.4 Operation of personal mobility devices, cycle logistics	NA
	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1
	7.3 Installation, maintenance and repair of energy efficiency equipment	NA
	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA
	7.6 Installation, maintenance and repair of renewable energy technologies	NA
	7.7 Acquisition and ownership of buildings	L68.1.0
	8.1 Data processing, hosting and related activities	J63.1.1
	8.2 Computer programming, consultancy and related activities	J62.0.1, J62.0.2, J62.0.3, J62.0.9
	8.3 Programming and broadcasting activities	J60.1.0, J60.2.0
	13.3 Motion picture, video and television program production, sound recording and music publishing activities	J59.1.1, J59.1.2, J59.1.3, J59.1.4, J59.2.0

Telenet notes that its most relevant revenue generating economic activity, being electronic communications networks (telecommunications), is currently not recognized as a sustainable activity within the EU Taxonomy, in spite of the proven strong enabling and facilitating potential telecommunications offer across industries.

(iii) Alignment assessment

- For each of the identified eligible economic activities, a high-level assessment of the technical screening criteria has been performed, as set out in Annex I of the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives ('DNSH');
- For each of the identified eligible economic activities, a high-level assessment of the technical screening criteria has been performed, as set out in Annex II of the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 for determining the conditions under which an economic activity qualifies as contributing substantially to climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives ('DNSH');

- For each of the identified eligible economic activities, a high-level assessment of compliance with the minimum safeguards (MS) set out in Articles 3 and 18 of the EU Taxonomy has been performed.

(iv) Identification of the financial indicators

- Identification of the relevant financial indicators (Turnover, CapEx and OpEx) for each of the identified eligible economic activities following the accounting policies of the IFRS;
- Identification of the consolidated Turnover, CapEx and OpEx figures of the Telenet group, following the accounting policies of the IFRS;
- Validation of the financial indicators by Erik Van den Enden, Chief Financial Officer of Telenet.

The methodology will be further refined moving forward and extended to all relevant Telenet entities in the future.

Outcomes and results

The outcomes and results of Telenet's EU Taxonomy exercise for financial year 2022 are as follows:

- **Turnover:** Of a total of €2,665.0 million of turnover in financial year 2022, it is considered that €552,386,675.66 comes from eligible economic activities performed by Telenet BV, Telenet Vlaanderen NV and Telenet Retail BV under the current coverage of the EU Taxonomy delegated act. This corresponds to 20.73% of the 2022 turnover. 0% thereof comes from environmentally sustainable activities (taxonomy-aligned), as Telenet, after a high-level assessment, observed that none of these activities are aligned with the EU Taxonomy.
- **CapEx:** Of a CapEx, as defined in the Delegated Act of Article 8, of €1,419.3 million invested in financial year 2022, it is considered that €16,393,102.79 corresponds to eligible capital expenditures from Telenet BV, Telenet Vlaanderen NV and Telenet Retail BV under the current coverage of the EU Taxonomy delegated act. This corresponds to 1.16% of the financial year 2022 CapEx. 0% thereof comes from environmentally sustainable activities (taxonomy-aligned), as Telenet, after a high-level assessment, observed that none of these activities are aligned with the EU Taxonomy.
- **OpEx:** Of a OpEx, as defined in the Delegated Act of Article 8, of €1,291.2 million invested in financial year 2022, it is considered that €152,810,476.22 corresponds to eligible operational costs from Telenet BV, Telenet Vlaanderen NV and Telenet Retail BV under the current coverage of the EU Taxonomy delegated act. This corresponds to 11.83% of the financial year 2022 OpEx. 0% thereof comes from environmentally sustainable activities (taxonomy-aligned), as Telenet, after a high-level assessment, observed that none of these activities are aligned with the EU Taxonomy.

A detailed breakdown of these results can be found in the below tables:

(i) Turnover reporting

					Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
	Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category '(transitional activity) (21)
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Activity 1	4.1 Electricity generation using solar photovoltaic technology	D35.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 2	6.4 Operation of personal mobility devices, cycle logistics	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 3	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 4	7.3 Installation, maintenance and repair of energy efficiency equipment	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 5	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 6	7.6 Installation, maintenance and repair of renewable energy technologies	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 7	7.7 Acquisition and ownership of buildings	L68.1.0	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 8	8.1 Data processing, hosting and related activities	J63.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 9	8.2 Computer programming, consultancy and related activities	J62.0.1, J62.0.2, J62.0.3, J62.0.9	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 10	8.3 Programming and broadcasting activities	J60.1.0, J60.2.0	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 11	13.3 Motion picture, video and television program production, sound recording and music publishing activities	J59.1.1, J59.1.2, J59.1.3, J59.1.4, J59.2.0	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)			€ 0.00	0.00%																	

	Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy -aligned proportion of turnover, year N (18)	Taxonomy -aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category '(transitional activity) (21)
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Activity 1	4.1 Electricity generation using solar photovoltaic technology	D35.1.1	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 2	6.4 Operation of personal mobility devices, cycle logistics	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 3	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 4	7.3 Installation, maintenance and repair of energy efficiency equipment	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 5	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 6	7.6 Installation, maintenance and repair of renewable energy technologies	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 7	7.7 Acquisition and ownership of buildings	L68.1.0	€ 62,812.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 8	8.1 Data processing, hosting and related activities	J63.1.1	€ 2,783,052.23	0.10%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 9	8.2 Computer programming, consultancy and related activities	J62.0.1, J62.0.2, J62.0.3, J62.0.9	€ 3,006,544.27	0.11%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 10	8.3 Programming and broadcasting activities	J60.1.0, J60.2.0	€ 546,534,267.16	20.51%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 11	13.3 Motion picture, video and television program production, sound recording and music publishing activities	J59.1.1, J59.1.2, J59.1.3, J59.1.4, J59.2.0	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	€ 552,386,675.66	20.73%
Total (A.1 + A.2)	€ 552,386,675.66	20.73%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
Turnover of Taxonomy-non-eligible activities (B)	€ 2,112,613,324.34	79.27%
Total (A + B)	€ 2,665,000,000.00	100.00%

(ii) CapEx reporting

	Economic activities (1)	Code(s) (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy -aligned proportion of CapEx, year N (18)	Taxonomy -aligned proportion of CapEx, year N-1 (19)	Category (enabling activity or) (20)	Category '(transitional activity) (21)
A. TAXONOMY-ELIGIBLE ACTVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Activity 1	4.1 Electricity generation using solar photovoltaic technology	D35.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 2	6.4 Operation of personal mobility devices, cycle logistics	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 3	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 4	7.3 Installation, maintenance and repair of energy efficiency equipment	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 5	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 6	7.6 Installation, maintenance and repair of renewable energy technologies	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 7	7.7 Acquisition and ownership of buildings	L68.1.0	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 8	8.1 Data processing, hosting and related activities	J63.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 9	8.2 Computer programming, consultancy and related activities	J62.0.1, J62.0.2, J62.0.3, J62.0.9	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 10	8.3 Programming and broadcasting activities	J60.1.0, J60.2.0	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 11	13.3 Motion picture, video and television program production, sound recording and music publishing activities	J59.1.1, J59.1.2, J59.1.3, J59.1.4, J59.2.0	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			€ 0.00	0.00%																	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Activity 1	4.1 Electricity generation using solar photovoltaic technology	D35.1.1	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 2	6.4 Operation of personal mobility devices, cycle logistics	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 3	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1	€ 6,390,644.50	0.45%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 4	7.3 Installation, maintenance and repair of energy efficiency equipment	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 5	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 6	7.6 Installation, maintenance and repair of renewable energy technologies	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 7	7.7 Acquisition and ownership of buildings	L68.1.0	€ 3,160,429.00	0.22%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Activity 8	8.1 Data processing, hosting and related activities	J63.1.1	€ 6,265,156.00	0.44%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 9	8.2 Computer programming, consultancy and related activities	J62.0.1, J62.0.2, J62.0.3, J62.0.9	€ 576,873.29	0.04%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 10	8.3 Programming and broadcasting activities	J60.1.0, J60.2.0	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 11	13.3 Motion picture, video and television program production, sound recording and music publishing activities	J59.1.1, J59.1.2, J59.1.3, J59.1.4, J59.2.0	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			€ 16,393,102.79	1.16%																	
Total (A.1 + A.2)			€ 16,393,102.79	1.16%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
CapEx of Taxonomy-non-eligible activities (B)			€ 1,402,906,897.21	98.84%																	
Total (A + B)			€ 1,419,300,000.00	100.00%																	

(iii) OpEx reporting

	Economic activities (1)	Code(s) (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy -aligned proportion of OpEx, year N (18)	Taxonomy -aligned proportion of OpEx, year N-1 (19)	Category (enabling activity or) (20)	Category '(transitional activity)' (21)
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
Activity 1	4.1 Electricity generation using solar photovoltaic technology	D35.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 2	6.4 Operation of personal mobility devices, cycle logistics	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 3	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 4	7.3 Installation, maintenance and repair of energy efficiency equipment	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 5	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 6	7.6 Installation, maintenance and repair of renewable energy technologies	NA	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 7	7.7 Acquisition and ownership of buildings	L68.1.0	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 8	8.1 Data processing, hosting and related activities	J63.1.1	€ 0.00	0.00%	0%	0%	NA	NA	NA	NA	X	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 9	8.2 Computer programming, consultancy and related activities	J62.0.1, J62.0.2, J62.0.3, J62.0.9	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 10	8.3 Programming and broadcasting activities	J60.1.0, J60.2.0	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
Activity 11	13.3 Motion picture, video and television program production, sound recording and music publishing activities	J59.1.1, J59.1.2, J59.1.3, J59.1.4, J59.2.0	€ 0.00	0.00%	NA	0%	NA	NA	NA	NA	NA	X	NA	NA	NA	NA	X	0%	NA	NA	NA
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			€ 0.00	0.00%																	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Activity 1	4.1 Electricity generation using solar photovoltaic technology	D35.1.1	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 2	6.4 Operation of personal mobility devices, cycle logistics	NA	€ 24,738.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 3	6.5 Transport by motorbikes, passenger cars and commercial vehicles	N77.1.1	€ 10,916,268.47	0.85%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 4	7.3 Installation, maintenance and repair of energy efficiency equipment	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 5	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	NA	€ 137,284.00	0.01%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 6	7.6 Installation, maintenance and repair of renewable energy technologies	NA	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 7	7.7 Acquisition and ownership of buildings	L68.1.0	€ 0.00	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 8	8.1 Data processing, hosting and related activities	J63.1.1	€ 3,719,250.50	0.29%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 9	8.2 Computer programming, consultancy and related activities	J62.0.1, J62.0.2, J62.0.3, J62.0.9	€ 683,305.07	0.05%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 10	8.3 Programming and broadcasting activities	J60.1.0, J60.2.0	€ 116,142,706.72	8.99%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Activity 11	13.3 Motion picture, video and television programme production, sound recording and music publishing activities	J59.1.1, J59.1.2, J59.1.3, J59.1.4, J59.2.0	€ 21,186,923.46	1.64%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	€ 152,810,476.22	11.83%
Total (A.1 + A.2)	€ 152,810,476.22	11.83%
B. TAXONOMY-NON-ELIGIBLE ACTVITIES		
OpEx of Taxonomy-non-eligible activities (B)	€ 1,138,389,523.78	88.17%
Total (A + B)	€ 1,291,200,000.00	100.00%

Accompanying qualitative information

Telenet provides the following accompanying qualitative information about the calculation and the key elements of the financial indicators included in the above tables:

EU Taxonomy Reference	Accompanying qualitative information
4.1 Electricity generation using solar photovoltaic technology	– Turnover: No turnover identified for FY22 – CapEx: No CapEx identified for FY22 – OpEx: No OpEx identified for FY22
6.4 Operation of personal mobility devices, cycle logistics	– Turnover: Not a turnover generating activity – CapEx: No CapEx identified for FY22 – OpEx: Figures in table cover operational costs related to bicycle leasing
6.5 Transport by motorbikes, passenger cars and commercial vehicles	– Turnover: Not a turnover generating activity – CapEx: Figures in table cover capital lease expenditure related to Telenet's fleet – OpEx: Figures in table cover management, fuel and other operational costs related to Telenet's fleet
7.3 Installation, maintenance and repair of energy efficiency equipment	– Turnover: Not a turnover generating activity – CapEx: No CapEx identified for FY22 – OpEx: No OpEx identified for FY22
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces	– Turnover: Not a turnover generating activity – CapEx: No CapEx identified for FY2 – OpEx: Figures in table cover installation costs of charging stations at employees' home
7.6 Installation, maintenance and repair of renewable energy technologies	– Turnover: Not a turnover generating activity – CapEx: No CapEx identified for FY22 – OpEx: No OpEx identified for FY22
7.7 Acquisition and ownership of buildings	– Turnover: Figures in table cover (sub)letting of Telenet's office space – CapEx: Figures in table cover capital expenditure related to revamp of Telenet's office space – OpEx: No OpEx identified for FY22
8.1 Data processing, hosting and related activities	– Turnover: Figures in table cover turnover generated from hosting and cloud services towards B2B customers – CapEx: Figures in table cover capital expenditure in (i) data center power and HVAC infrastructure and (ii) cloud and hosting improvement for B2B services – OpEx: Figures in table cover operational costs related to (i) data center management and maintenance and (ii) licensing costs related to hosting
8.2 Computer programming, consultancy and related activities	– Turnover: Figures in table cover turnover generated from IT services towards B2B customers – CapEx: Figures in table cover capital expenditure related to the migration of a major IT environment to a new environment ('green field project') – OpEx: Figures in table cover operational costs related to hardware, software and consultancy costs linked to IT services products and solutions for customers
8.3 Programming and broadcasting activities	– Turnover: Figures in table cover turnover generated from regular and premium TV subscriptions and on demand viewing – CapEx: No CapEx identified for FY22 – OpEx: Figures in table cover operational costs related to broadcasting rights and other programming and broadcasting expenses
13.3 Motion picture, video and television program production, sound recording and music publishing activities	– Turnover: No turnover identified for FY22 – CapEx: No CapEx identified for FY22 – OpEx: Figures in table cover subtitling, function coding and other operational costs related to the production of tv shows

7.9 2023 sustainability outlook

In 2023, Telenet will pursue its active policies and execution towards sustainable growth, in line with the priorities as set forward in the 2021-2025 Sustainability Strategy. In addition to the continued focus on the management of labor, community engagement, human rights, and anti-corruption and bribery issues as outlined in the present non-financial statement, the Company will put extra emphasis on the good governance of the sustainability agenda.

Sustainability governance

Telenet will continue to roll-out and implement its readiness plan with the upcoming ESG regulation, with focus on the EU Taxonomy, the EU Corporate Sustainability Reporting Directive, as adopted by the European Commission in November 2022, and the proposed EU Directive on Corporate Sustainability Due Diligence as currently under review within the competent European institutions. The Company aims at further upscaling its management processes as it comes to ESG risk management, data collection and data assurance, metrics and targets setting, due diligence and sustainability management across the value chain.

Disclose ESG performance

Telenet will also continue to align its annual sustainability reporting practices to the European guidelines for non-financial reporting. As far as environmental performance reporting is concerned, the Company will further adopt the TCFD recommendations. Finally, Telenet will participate in third-party sustainability assessments. Besides its annual participation in the EcoVadis review, the Company will take part in (i) the CDP Climate Change to disclose its environmental performance and (ii) the Equileap and Bloomberg Gender Equality assessments to assess its performance in the area of diversity, equity and inclusion.

Environmental responsibility

Telenet will pursue its efforts to reduce its Scope 1, 2 and 3 emissions. The Company will further detail-out its climate action plan and submit it for approval to the Science-based Targets Initiative in the course of 2023. In addition, the Company will establish a company-wide steering group to develop and roll-out concrete carbon emission reduction and circular economy initiatives that have the potential of creating new value for the customer.

2022 Telenet Sustainability Report

A detailed overview of the 2022 sustainability performance will become available in the annual Telenet Sustainability Report, to be released in June 2023. To get an overview of the Company's commitment to sustainability and to review all Telenet Sustainability Reports which Telenet has published since 2010, please refer to the sustainability section of the Telenet corporate website.

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, 2022.

8.1 Reference code

The Corporate Governance Charter of the Company has been restated by decision of the board of directors of the Company, taken on March 24, 2020, in order to designate the new Belgian Corporate Governance Code 2020 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, 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.

In June 2018, the Belgisch Instituut voor Post en Telecommunicatie and the regional regulators for the media sectors and the regional regulators for the media sectors (together, the Belgium Regulatory Authorities) adopted a new decision finding that Telenet

has significant market power in the wholesale broadband market (the 2018 Decision). The 2018 Decision imposes on Telenet the obligations to (i) provide third-party operators with access to the digital television platform (including basic digital video and analog video) and (ii) make available to third-party operators a bitstream offer of broadband internet access (including fixed-line telephony as an option). On May 26, 2020, the Belgian Regulatory Authorities adopted and published the decision regarding "reasonable access tariffs" ("2020 Decision") and became effective on July 1, 2020. Telenet appealed the 2018 Decision which was rejected by the Brussels Court of Appeal on September 4, 2019.

The 2020 Decision aims to, and in its 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. The extent of any such adverse impacts ultimately will be dependent on the extent that competitors take advantage of the resale access afforded to Telenet's network, the rates that Telenet receives for such access and other competitive factors or market developments.

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, 2022 and was represented by 112,110,000 shares without nominal value. All shares are ordinary shares, listed on Euronext Brussels, except for 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.

8.3.1.2 Other Securities

On 26 July 2022, the board of directors approved a 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 select number of employees, a combination of (i) restricted shares and (ii) compensation restricted shares:

(i) Performance shares

In 2022, no performance shares were granted.

(ii) Restricted shares

On August 1, 2022, the Company granted its CEO, Senior Leadership Team and certain key management personnel a total of 526,317 restricted shares (the "2022 Telenet Restricted Shares"). On September 23, 2022, 524,695 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 August 1, 2023 and a vesting of 60% on August 1, 2024, 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 August 1, 2025 and August 1, 2026.

(iii) Compensation Restricted shares

On May 2, 2022, The Company granted its CEO, Senior Leadership Team and a selected number of employees a total of 194,050 compensation restricted shares (the "2022 Telenet Compensation Restricted Shares"). The vesting of these compensation restricted shares occurs immediately at grant. However, upon vesting, the Telenet shares remain blocked for a trading for a period of 2 years, i.e., respectively until May 2, 2024.

8.3.2 Evolution of the share capital of Telenet Group Holding NV

No capital movements took place in the year ended December 31, 2022.

8.3.3 Shareholders

Important movements in shareholdings

Transparency declarations

In the course of the year ended December 31, 2022, the Company received the following transparency declaration:

On August 12, 2022, 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 12, 2021.

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

Cancellation of treasury shares

On October 28, 2021, the Company announced the initiation of a share repurchase program (the "Share Repurchase Program 2021"). Under this Share Repurchase Program 2021, a total of 1,100,000 shares were repurchased during 2021 and 2022 at an average price of €32.16 for a total amount of €35.4 million. Following the completion of this program on 23 February 2023, the annual general shareholders's meeting of the Company held on 27 April 2022 approved the cancellation of all shares repurchased under the Share Repurchase Program 2021. As a result, the total number of outstanding shares in the Company decreased on 27 April 2022 from 113,841,819 shares to 112,741,819 shares.

The extraordinary general shareholders' meeting of the Company held on 6 December 2022 approved the cancellation of 631,819 own shares held by the Company pursuant to prior share repurchase programs. As a result, the total number of outstanding shares in the Company further decreased on 6 December 2022 from 112,741,819 shares to 112,110,000 shares.

Shareholder structure

The shareholder structure of the Company on December 31, 2022, based on (i) the shareholders' register of the Company, (ii) all transparency declarations received by the Company, (iii) as well as the latest notifications of each relevant shareholder to the Financial Services & Markets Authority ("FSMA"), was as follows:

Shareholders	Outstanding shares	Percentage
Liberty Global Group (*)	66,342,037	59.18 %
Own Shares (**)	3,500,526	3.12 %
Public (***)	42,267,437	37.70 %
Total (****)	**112,110,000**	**100.00 %**

(*) Including 94,827 Liquidation Dispreference Shares

(**) 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 108,609,474 shares.

(***) Including 16 Liquidation Dispreference Shares held by Interkabel Vlaanderen CV and 30 golden Shares held by the intermunicipalities

(****) Including the cancellation of (i) 1,881,040 treasury shares on April 24, 2019, (ii) 1,178,498 treasury shares on December 4, 2019 and (iii) 814,966 treasury shares on April 30, 2020, (iv) 1,100,000 treasury shares on April 27, 2022 and (v) 631,819 treasury shares on December 6, 2022 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 its shareholders. 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 2023, this will be on April 26.

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 Telenet's 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 or by Fluvius System Operator CV. 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, 2022, the Company had 94,827 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 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 meetings of the board of directors.
- Share option plans are described in note 5.12 to the consolidated financial statements of the Company. The ESOP 2016, ESOP 2016bis, ESOP 2017, ESOP 2017bis, ESOP 2018, ESOP 2018bis, ESOP 2019 and ESOP 2020 provide that all outstanding stock options would immediately vest upon a change of control. All these provisions have been approved by the general shareholders' meeting in accordance with article 7:151 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 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 entered into by the Company's subsidiaries would become effective or would be terminated in case of a change of control over the Company.

- The Telenet Performance Share Plan 2018, the Telenet Performance Share Plan 2019, the Telenet Performance Share Plan 2020 and the Telenet Performance Share Plan 2021 also contain change of control wording. The Performance Share Plan 2018 was made available for all the members of the SLT and one other manager, as well as the CEO. The Performance Share Plans 2019, 2020, 2021 were 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 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 of the utmost importance to 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, and determines the risk appetite in order to achieve its strategic objectives. The board of directors in particular identifies and manages the risks with respect to the Company and its activities, amongst others by approving the framework of internal control and risk management proposed by management and reviewing the implementation of this framework.

The board of directors has installed a number of committees to assist the board herewith. 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 Audit and Risk Committee assists the board of directors in fulfilling its monitoring responsibilities in respect of control in the broadest sense, including risks. 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 and making recommendations or proposals to ensure the integrity of the process, 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.

Following the appointment of new board members at the annual general shareholders meeting of 27 April 2022, two new board members have been appointed to the Audit and Risk Committee: Mrs. Lieve Creten (as new chair) and Mr. John Gilbert. As a result, the Audit and Risk Committee is now composed of four members, of which three members are independent directors of the Company, including the chair. All members are non-executive directors, contribute broad experience and skills regarding financial

items, have a collective experience in the activities of Telenet and at least one member of the Committee has the necessary expertise in the field of accounting and auditing. The chair 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, interests, 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 as per the Company's shareholder remuneration policy. For more information hereon, we refer to Title 2.10 - Shareholder remuneration. On an ongoing basis, the Treasury department monitors the leverage targets for the Company at a consolidated level and compliance therewith under the 2020 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 annually by the Company's Audit and Risk Committee and the board of directors. Following the sale of Telenet's mobile infrastructure business to DigitalBridge in June 2022, the Company's treasury policy was reviewed and subsequently approved by the both the Audit and Risk Committee and the board of directors. A cash balance of up to €150.0 million is maintained to fund the Company's daily operations, while the excess is invested through a series of money market funds. Telenet intends to actively use its cash balance over the next couple of years to fund NetCo's up to €2.0 billion fiber-to-the-home deployment as communicated earlier, resulting in a fully funded investment plan without any interdependencies on financial markets. In order to minimize the concentration of counterparty risk and to enhance the yield on its cash balance, the Company has invested the vast majority throughout a range of money market funds with highly rated European and US financial institutions.

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 monitoring 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 (revenue assurance and fraud), the Risk and 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 (e.g. as part of risk screening of company initiatives and supplier onboarding).

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 general fee benchmark with other audit firms, the Audit and Risk Committee assesses a potential prolongation of the internal audit mandate of Liberty Global on an annual basis. As such, the Audit and Risk Committee approved such new prolongation on July 26, 2022.

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 meetings 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 internal audit team also considers the Enterprise Risk Management results during the preparation of the audit plan. The audit plan is executed by Liberty Global's internal audit.

The internal audit team does not only report issues, but also provides the Company with information on the coverage of the audit objectives, 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 29, 2020 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 and a direct testing cycle by the risk and compliance department, with oversight by Liberty Global's 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 to define the compliance roadmap. 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. A recurring Compliance training calendar has been defined, including company-wide trainings (privacy, Code of Conduct, cyber security and Chinese Walls) and trainings for specific target groups (e.g. SOX, procurement/spend, anti-corruption, competition law). Depending on the topic, the trainings are provided on an annual or bi-annual basis. All 2022 company-wide trainings reached a completion rate >97% for the internal employees.

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. 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 reporting website and employees can remain anonymous if requested. In line with the related European directive and Belgian legislation, the Whistleblower line is also available on the Company's external website. All complaints received through the Whistleblower process are handled by the Compliance team in consultation with the chair 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 risks are prioritized as part of this program. The ERM team assists the SLT in identifying and assessing the key underlying risk drivers and in identifying or defining mitigation initiatives to further improve the risk coverage if required. These risks are classified into the following "principal risk" categories: (i) Market Dynamics, (ii) Business Transformation and Programs, (iii) Security and Resilience, (iv) Customer Experience, (v) Laws and Regulations, (vi) Talent and Culture, (vii) Supply Chain and (viii) Strategy, Planning, Information and Communication.

The identified risks are documented in a risk register that provides amongst others a description of the risk, a risk assessment score based on business impact and likelihood, and an overview of existing mitigations and future mitigation plans. Where relevant, these mitigation plans are linked to internal audit findings. The risk assessment is performed on a residual level, taking the existing mitigations into consideration. Herewith, predefined rating scales are used to assess the likelihood of the risk occurring and the different types of impact (including financial impact, impact on service availability, legal and regulatory impact, etc).

The evolution of the risks and the progress made against the mitigation plans are monitored by the ERM team. The results are periodically presented to the SLT and the Audit and Risk Committee.

8.4.3.4.1 Top risks

As an outcome of this ERM program, the overall risk heatmap with the Company’s top risk drivers has been discussed with and validated by the SLT in August 2022. It has subsequently been presented to the Audit & Risk Committee, as subcommittee of the board of directors, in October 2022.

These top risk drivers include:

- **4th mobile operator:** the arrival of a 4th mobile network operator in Belgium could have a significant impact on the general market and therefore Telenet has taken and will continue to take the required measures to mitigate the related risks.
- **Prolonged geopolitical and high inflation crisis, which is having a double impact:** on the one hand, this crisis is directly impacting the costs of Telenet, mostly through increased energy prices and higher payroll costs. On the other hand, the crisis also has an impact on Telenet’s customers, which in turn has an impact on Telenet’s revenues. For both types of impact, measures have been taken where possible to mitigate the risks.
- **Fiber-to-the-Home roll-out by competitors which could result in increased customer churn and reduced customer acquisition:** Telenet traditionally performs continuous speed and network upgrades to ensure its connectivity speed leadership can be maintained. In order to further strengthen its competitive position in the connectivity market, the Company has also entered into an agreement with Fluvius to build the network of the future. This agreement is currently pending regulatory approval. In addition, the Company is optimizing its campaigns in this domain.
- **New data security threats may not be identified and addressed in a timely manner:** strong processes are in place to prevent, detect and address cyber security threats and to manage the day-to-day operational security risks to avoid unauthorized access to Telenet’s network, systems and data. Telenet has embedded several measures, including security incident monitoring, vulnerability scanning, security risk screening of new developments and changes etc. However, as the security threat landscape is constantly evolving, it is essential to maintain a continuous review process of new cyber security risks to ensure that the approach of managing these risks evolves accordingly.
- **Increased churn/lower ARPU due to changes in customer behavior, both on bundle composition and on expectations towards TV and Content:** the general debundling trend on the market is a given. Telenet has launched several initiatives to respond to this trend, including through its entertainment strategy and through the ‘ONE’ product offering, which gives more flexibility towards its customers to ensure the product meets the specific needs of each customer. Telenet will continue to monitor customers’ behavior to ensure the product and service offering meets their (changing) needs.
- **Increasing competition of system integrators and managed service providers for business customers**, which requires Telenet to continue its transformation from an initial telecom operator towards a managed service provider model for its business customers.
- **The risk of not meeting the expectations from stakeholders** (regulators, investors, financial institutions, customers, employees, broader society) on Telenet's sustainability management, resulting in reputational and financial damage: this risk was set as a general placeholder and is further elaborated in section 8.4.3.4.2. of the present report.

- **Increasing shareholder activism:** there is a generally increasing trend of shareholder activism on the market which can result in reputational, operational and financial impact. Taken into consideration the shareholders structure, Telenet believes it is important to treat all types of shareholders equally and does this by actively engaging in addressing shareholders demands for information and transparency around the Company's operations with regards to aligned benefits.
- **Darwin delivery risks:** the Darwin program is a key program to consolidate and modernize a key part of Telenet's IT landscape. Considering that the program is a business-wide transformation program that aims to enhance the way we serve our customers, it has been listed as one of the key risks. Telenet closely monitors the progress of the program as well as the related risks through different taskforces.
- **Reduced availability of CPEs, network equipment, handsets and other devices and material:** the global shortage of chipsets and other materials leads to delays in delivery of devices that require chipsets or in the delivery of other materials, in its turn leading to an increased risk of stock shortages (impacting customer and operations processes) and price increases. Thanks to the continuous monitoring by the Company and the mitigating actions taken (including increased refurbishing of modems and set-top boxes), the impact of this risk has been kept under control. Considering the unpredictability of this topic at global scale, Telenet continues to closely monitor this risk.
- **Inability to build and evolve an adequately skilled workforce:** refer to section 7.2 of the present report.
- **Mental wellbeing:** refer to section 7.2 of the present report.

8.4.3.4.2 ESG risks

The general risk of not meeting the expectations from stakeholders (regulators, investors, financial institutions, customers, employees, broader society) on Telenet's sustainability management has been identified as one of the company's top risk drivers (refer to section 8.4.3.4.1 of the present report). To allow for a more granular risk assessment, an in-depth analysis of this general risk has been launched in 2021. This assessment started from the key material issues (refer to 7.1 of the present report) and took into account applicable regulation and sustainability reporting standards like the recommendations from the TCFD. The identification of ESG risks has also been inspired by the Sustainability Accounting Standards Board (SASB), which has developed industry-specific guidance, including for telecommunication services. These SASB standards are designed to identify ESG issues most likely to impact these specific industries.

As a result of this analysis, specific ESG risk drivers have been identified and prioritized. These have been grouped into the following categories:

- General ESG risks
- Specific environmental risks
- Specific social risks
- Specific governance risks

The results of the detailed ESG risk assessment have been presented to the SLT and the Audit and Risk Committee in Q1 2022. In the course of 2022, the ESG risk assessment has been further elaborated whereby also more quantitative aspects have been considered. This risk assessment will be continuously further elaborated and finetuned.

General ESG risks

The following general ESG risks, which are applicable to all dimensions of the sustainability agenda, have been identified and assessed:

- **Insufficient board and senior management attention for ESG, resulting in a lack of a clear ESG strategy and in inadequate support for ESG initiatives across the company:** the 2021-2025 Sustainability Strategy has been discussed with and approved by SLT and the board in 2021, with clear top-level support for sustainability initiatives. This is further evidenced by formally including ESG targets in company-wide objectives and senior management remuneration plans.
- **ESG strategy is not properly translated into specific and prioritized initiatives, and which remain unmonitored, as a result of which the company's vision on ESG remains unimplemented:** the sustainability strategy has been translated into 6 prioritized programs across the different pillars of the strategy (progress, empowerment, responsibility): Telenet Essential Internet, Digital Acceleration, Diversity, Equity & Inclusion, Future-proof Workforce, Net Zero and Circular Economy. The

Company is further embedding these programs into the business priorities to ensure they get properly translated into specific initiatives for implementation across the business.

- **Insufficient resources (incl. budget) are allocated to the prioritized ESG initiatives, resulting in inadequate or untimely implementation:** processes are in place to ensure the prioritized (ESG) initiatives are properly included in the financial planning and budgeting process. In addition, specifically in view of the Company's Net Zero target plan, a dedicated analysis of the required capex/opex costs for Scope 1 and Scope 2 emission reduction initiatives has been presented to the SLT and board. Taking into consideration the continuous evolutions on the sustainability front, the Company pays ongoing attention to ensure the financial impact of these evolutions is adequately calculated and budgeted for where needed (e.g. impact of SBTI Net Zero framework).
- **Incomplete or inaccurate ESG reporting (internal and external), hampering adequate progress monitoring of ESG initiatives/targets and resulting in a lack of transparency and an incorrect view of (internal and external) stakeholders on Telenet's ESG initiatives and their impact on the company:** the Company prepares multiple ESG-related reporting sets, both internally and externally, and periodic input is provided for several ESG-related benchmarks and KPIs. Internal data collection processes are in place to capture the required information. The Company regularly assesses the accurate application of these data collection processes by the involved teams and - if and when needed - sharpens the processes to increase data collection accuracy. The Company also assures internal awareness and training programs are in place for data owners and reviewers.
- **Non-compliance with legal / regulatory requirements related to ESG, resulting in fines and negatively impacting Telenet's reputation and operations:** processes are in place to monitor the legal / regulatory evolutions in the ESG domain and to ensure that the related requirements are timely captured, assessed and applied within the Company.

Specific environmental risks
To understand the potential implications of climate-related risks, the standard risk register has been extended with a number of fields for these risks in order to structurally capture all information as required by the TCFD framework. This includes (i) the classification into transition risks (policy & legal, technology, market, reputation), physical risks (acute/chronic) or opportunities (resource efficiency, energy source, product & services, markets, resilience) and (ii) the related time horizon (short-, medium- or long-term). Herewith short-term risks are likely to manifest within 1-3 years, medium-term risks in 4-10 years and long-term risks beyond 10 years.

The following risks have been included as prioritized environmental risks in our risk register (refer to section 7.3 of the present report for more information on these risks as per the TCFD classification):

- Inadequate management of electricity supply
- Inability to significantly reduce indirect CO_2 emissions
- Inability to significantly reduce direct CO_2 emissions (split up in Scope 1 and Scope 2 emissions)
- Suppliers are vulnerable to extreme weather events and higher temperatures
- Telenet infrastructure is vulnerable to extreme weather conditions and higher temperatures
- Failure to consider and minimize environmental impact when new products are designed and developed
- Inadequate end-of-life management of hazardous waste (CPEs, IT, network equipment and other sold devices)
- Inability to reduce hazardous waste produced by or for the Company
- Inefficient use and disposal of water
- Inadequate management of non-hazardous waste

Specific social risks
To identify the social risks that are relevant for Telenet, those risks that can impact its employees or other collaborators, and broader communities in the influence sphere of the company have been considered. As a result, the following risks have been prioritized in the Company's risk register:

- **Inability to build and evolve an adequately skilled workforce:** refer to section 7.2 of the present report for more information on this risk and the related mitigations.
- Decline in mental wellbeing: refer to section 7.2 of the present report for more information on this risk and the related mitigations.
- **Unequal chances along the employee journey (recruitment, promotion, remuneration):** refer to section 7.2 of the present report for more information on this risk and the related mitigations.
- **Inability to respond to government's expectations and society's needs on digital inclusion and skills development for all:** refer to section 7.4 of the present report for more information on this risk and the related mitigations.
- **Non adapted (home) workplace including ergonomics and accessibility:** refer to section 7.2 of the present report for more information on this risk and the related mitigations.
- **Creating unsafe technologies without transparency of potential health issues for employees/citizens:** as an innovative company, Telenet is often at the forefront of the development and roll-out of new technologies. Herewith, the Safety, Health and Environment team is involved in the assessment of health risks to avoid potential health issues for the employees, customers and other citizens. Specifically for the roll-out of 5G, which raises health concerns from regional governments and grass-root organizations, Telenet has clear processes in place to ensure that the strict radiation norms are respected. Refer to section 7.5 of the present report for more information hereon.
- **Inability to limit the number of discrimination, harassment and bullying cases:** refer to section 7.2 of the present report for more information on this risk and the related mitigations.

Specific governance risks
As part of the ESG risk assessment, also the broader governance and economic risks that can impact reputation, internal organization and/or business activities of the Company have been considered. As a result, the following risks have been prioritized in the Company's risk register:

- **New data security threats are not identified and addressed in a timely manner:** Refer to section 8.4.3.4.1 of the present report.
- **Increased legal and regulatory requirements:** The Company has multiple processes in place to ensure continued compliance with legal and regulatory requirements, and to ensure new legal or regulatory initiatives are timely captured, assessed and applied within the Company.
- **Non-respect of human rights, ESG policies and regulation by (potential) suppliers:** to enable a sustainable supply chain and minimize the human and environmental impact the Company's supply chain has, Telenet pledges to only collaborate with suppliers that adhere to ESG standards by including these in the supplier onboarding process. As part of this onboarding process, suppliers are required to confirm their compliance with Telenet Supplier Code of Conduct which upholds high standards that are based on all applicable local and international laws and regulations regarding the environment, health and safety and employment (refer also to section 7.5 of the present report). Since the end of 2019, the Company has a supplier risk screening process in place to ensure that the key risks regarding new purchases of goods or services are timely assessed and to ensure that required actions towards the related suppliers can be properly included in the supplier negotiations and contract. The Company aims to extend this supplier risk assessment to the key existing suppliers.
- **Non-compliance with GDPR & privacy regulation:** seen the nature and size of the Company's activities, the Company has access to an extensive amount of information from its customers (as well as from its employees and other parties), including privacy-sensitive information. A dedicated Data Protection and Privacy team, headed by the Data Protection Officer, ensures that privacy risks across the Company are timely assessed and that the responsible teams take the necessary actions to ensure compliance with GDPR and other requirements. The DPO provides a bi-annual privacy status update to the Audit and Risk Committee. Refer also to section 7.5 of the present report for more information.

- **Other prioritized governance risks have been included and documented in the risk register:** inadequate business continuity management, non-respect of code of conduct, anti-corruption and anti-bribery principles (refer also to section 7.5 and 7.6 of the present report), inability to create trust and security in digital solutions, lack of transparent pricing and billing, and unethical business practices in media and entertainment.

8.4.3.4.3 Emerging risks

As part of the Company's ERM program, specific attention is also paid to the identification of so-called "emerging risks". These are external risks (i.e. originating from outside the Company and beyond the Company's influence) with a potentially significant long-term impact on the Company's strategy or operations. These could be either new risks or existing risks, which might already have a small impact at this moment but expected to increase significantly over the next years.

In particular, the following risks are currently considered as the Company's key emerging risks:

- **Climate-change risks with physical impact:** these have been split in a number of specific risks in the Company's risk register, depending on the cause of the risk (extreme weather conditions, such as storms or floods, or rising temperatures) or on where the impact of the risk manifests (on the Company's own infrastructure or on the Company's suppliers (some of which are located in areas that are more vulnerable to climate change)). It therefore concerns following risks: "suppliers are vulnerable to extreme weather events and higher temperatures"; and "Telenet infrastructure is vulnerable to extreme weather conditions and higher temperatures". Refer also to section 7.3 of the present report for more information on these risks. These risks are currently assessed as rather low, mostly still due to their relatively low likelihood of having a significant impact. However, with the increasingly visible and tangible effects of the climate change, the likelihood of these risks is expected to significantly increase over the next years. These risks could have a direct impact on the availability of the Company's fixed or mobile connectivity services to its customers due to network outages (e.g. in case critical network infrastructure such as switching offices or head-ends would be hit). They could also impact the Company's supply chain, leading to unfulfilled customer orders (e.g. in case of delays on the production and delivery of modems and set-top boxes) or to connectivity issues in case of delays on delivery of network components or in case of unavailability of service providers (e.g. for network monitoring). These risks are therefore on the radar of the Company and several initiatives are being rolled-out to anticipate on the manifestation of the risk (e.g. deployment of geo-redundancy at all switching offices and conducting stability studies by an external party at all technical sites and data centers). As these risks also exist at the supplier side, business continuity considerations are included in the existing supplier risk screening process.
- **Risk that Telenet is not able to build and evolve an adequately skilled workforce:** as also described in section 7.2 of the present report, the Company is expected to face a growing challenge in finding certain key profiles, mostly within (but not limited to) data and digital profiles. Though this is not yet a highly critical concern at this moment, this risk clearly needs to be monitored and managed for its longer-term impact. While this risk also has an important internal component (e.g. talent retention, talent growth, reskilling), it is mostly driven by external societal factors. As described in section 7.2 of the present report, several external studies have shown a general labor shortage in the data and digital domains. Having people with adequate data and digital skills is critical to the Company, not only for execution of several technology-related activities (such as maintenance and monitoring of the IT and network infrastructure, or development of new systems and programs) but also for the implementation of the Company's Customer Intimacy strategy which is supported by several data-related activities. Seen this impact, it is of the utmost importance for the Company to take the required actions in the short term in order to avoid the risk to become significant over the next few years. Refer to section 7.2 of the present report for an overview on the actions the Company is taking in this respect.

These risks will continue to be monitored closely to ensure that further mitigating actions are taken when needed to limit their (long-term) impact on the Company.

8.4.3.5 War in Ukraine

Following the Russian invasion of Ukraine on February 24, 2022, Telenet is continuously assessing the impact of the war on the Company's business. The initial impact assessment has been presented to the Board of Directors on March 18, 2022. Quarterly updates of the impact assessment have been reported to the Audit and Risk Committee throughout 2022.

Overall, there is only minimal direct impact of the war on the Company's business. Telenet only works with a very limited number of Russian and Ukrainian suppliers (in the interconnect domain). Telenet has no assets or data backup located in Ukraine or Russia. Further, Telenet has no financial exposure to Russian banks. As discussed within section 2.9.3, Telenet's cash equivalents and

money market funds are placed with highly rated European and US financial institutions in order to minimize the concentration of counterparty risk.

Indirect impact is being monitored as well, such as the adverse impact of higher electricity prices on the Company's operating expenses (both for the current fiscal year and its three-year plan) and the hedging hereof.

In parallel to the business impact assessments, Telenet has also taken its corporate social responsibility actively supporting the Ukrainian refugees in Belgium. For more information, please refer to section 7.4 of the present report.

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, 2022, the board of directors of the Company was composed of 11 members. With the exception of the Managing Director (CEO), all directors are non-executive directors.

There are currently four independent directors within the meaning of article 7:87§1 of the Belgian Code of Companies and Associations, the Belgian Corporate Governance Code 2020 and the articles of association of the Company: (i) JoVB BV (represented by its permanent representative, Mr. Jo Van Biesbroeck), (ii) Lieve Creten (represented by its permanent representative, Lieve Creten), (iii) Mr. John Gilbert and (iv) Dirk JS Van den Berghe Ltd. (represented by its permanent representative, Mr. Dirk JS Van den Berghe).

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 of the Belgian Code of Companies and Associations.

The following mandates expire at the annual general shareholders' meeting of 2023: 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. The mandate of Mr. Charles H. Bracken expires at the annual general shareholders' meeting of 2024. The mandate of Mr. John Porter expires at the annual general shareholders' meeting of 2025. The mandates of (i) Lieve Creten BV (represented by its permanent representative Ms. Lieve Creten), (ii) Mr. John Gilbert, (iii) Dirk JS Van den Berghe Ltd. (represented by its permanent representative Mr. Dirk JS Van den Berghe), and (iv) Ms. Madalina Suceveanu expire at the annual general shareholders' meeting of 2026.

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 2023:

- the (re)appointment of Mr. JoVB BV (represented by its permanent representative Mr. Jo Van Biesbroeck) as director of the Company
- the (re)appointment of Mr. Manuel Kohnstamm as director of the Company
- the (re)appointment of Mr. Enrique Rodriguez 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, 2022, the board of directors of the Company was composed as follows:

Name	Function	Nominated by
Mr. Jo Van Biesbroeck (JoVB BV)	Chair of the Board of Directors and the Remuneration and Nomination Committee	Independent director
Ms. Lieve Creten (Lieve Creten BV)	Chair of the Audit and Risk Committee	Independent director
Mr. John Gilbert	Director of companies	Independent director
Mr. Dirk JS Van den Berghe (Dirk JS Van den Berghe Ltd.)	Director of companies	Independent director
Mr. John Porter	Chief Executive Officer & Managing Director Telenet	
Mr. Charles H. Bracken	Executive Vice President & Chief Financial Officer of Liberty Global	Liberty Global Group
Mr. Enrique Rodriguez	Executive Vice President & Chief Technology Officer of Liberty Global	Liberty Global Group
Ms. Amy Blair	Senior Vice President & Chief People Officer of Liberty Global	Liberty Global Group
Mr. Manuel Kohnstamm	Senior Vice President & Chief Corporate Affairs Officer of Liberty Global	Liberty Global Group
Ms. Severina Pascu	Deputy Chief Executive Officer and Chief Operating Officer of Sunrise UPC Business in Switzerland	Liberty Global Group
Ms. Madalina Suceveanu	Managing Director, Mobile & Cloud Technology of Liberty Global	Liberty Global Group

Mr. Bart van Sprundel, Head of Corporate, Transactional Legal & Governance, 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. The composition of the Board has therefore been determined to gather sufficient expertise in Telenet's areas of activity and ensures sufficient diversity of skills, background, age and gender, thereby ensuring compliance with, amongst others, article 7:86 of the Belgian Code of Companies and Associations. At December 31, 2022, the board of directors includes four female members: Ms. Madalina Suceveanu, Ms. Amy Blair, Ms. Lieve Creten (Lieve Creten BV) and Ms. Severina Pascu.

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, 2022, 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.

Jo Van Biesbroeck, chair of the board of directors and chair of the Remuneration and Nomination Committee and 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. Between September 1, 2015 and April 1, 2020, Jo Van Biesbroeck was manager and 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 Etex Group and Matexi Group. Furthermore, he serves as an independent and non-executive director of Puratos, Inno.com, the investment company SFI and various non-profit organizations including the ACF cancer fund, Kick cancer fund and Franklinea fund in Swiss.

Lieve Creten (representing Lieve Creten BV), chair of the Audit and Risk Committee and independent director (°1965)
Until April 2021, Lieve Creten has been a partner at Deloitte in Belgium for more than 20 years. She was one of the founding partners of the Belgian M&A practice working for national and international investors in various sectors. She headed the Financial Advisory business as managing partner from 2008 to 2019. During this time, she also served as a member of the executive committee of Deloitte Belgium. In addition, she was part of the global executive team of Deloitte Financial Advisory from 2015 until 2021 focusing on talent related matters. Early in her career, in 1994, she briefly worked abroad at Deloitte USA. Lieve Creten is currently a board member, a member of the remuneration committee and chair of the audit committee of Barco NV and CFE SA, a board member and member of the audit committee and remuneration committee of Montea and a board member (Treasurer) of OCB Doctors Without Borders and MSF Supply. Mrs. Creten holds a master's degree in business engineering from the University of Leuven (Belgium) as well as a postgraduate degree in tax sciences. Since 1995, she is a certified public accountant. Lieve Creten has written various articles on M&A and has been a speaker on many events and seminars in the M&A domain.

Dirk Van den Berghe (representing Dirk JS Van den Berghe Ltd.), independent director (°1963)
Until 2021, Dirk Van den Berghe held top executive positions at Walmart Inc., his most recent one being Executive Vice President and Regional CEO of Asia, Canada and Global Sourcing and in particular, leading Walmart's investment in Flipkart, a leading e-commerce and fintech platform in India, and overseeing Walmart's e-commerce partnerships and retail operations in Canada, China and Japan. He was also Senior Vice President and CEO of Walmart Canada from 2014 until 2016. Before joining Walmart, Dirk Van den Berghe was active at Delhaize group (now called Ahold Delhaize NV) between 1999 and 2014 during which he held various SVP positions and was appointed CEO of Delhaize Benelux in 2011.

During the early days of his career, Dirk Van den Berghe was active as a trade diplomat for ten years serving as the Commercial Attache for Belgium in Sofia, Bulgaria and subsequently as a representative of the Flemish Trade and Investment Federation (now called Flanders Investment & Trade) in Bangkok, Thailand and New York, USA. He started his career with a position at Unilever, followed by a job at Metallo Chimique.

Dirk Van den Berghe is currently the non-executive chairman of the board of The Very Group Ltd. (UK & Ireland), non-executive commissioner and chairman of the remuneration committee of GoTo Company (Indonesia) and a non-executive director of the board of directors of the Colruyt Group (Etn. Fr. Colruyt NV). He advises on consumer goods, retail, e-commerce, health, fintech and technology. He was previously a board member of Flipkart, JD.com Inc., Walmart Canada Bank Corp. (now called Duo Bank), Reynaers Aluminium NV, AMS Sourcing B.V., Summit Committee of the Consumer Goods Forum and Export Flanders (now Flanders Investment & Trade EVA).

Mr. Van den Berghe holds a PhD in Economics from the University of National and World Economy (Sofia, Bulgaria) and a master degree in business management from the University of Gent (Ghent, Belgium). He has also been a visiting scholar including guest professor positions at McGill University, Hongkong University, IIM Ahmebadabad, Solvay Business school, Ichec and many other universities.

John Gilbert, independent director (°1963)
John Gilbert was formerly a Managing Director and Senior Country Officer for JPMorgan in Europe. John joined JPMorgan in New York in 1985, moved to London in 1999 and retired in 2014. During that time, John spent many years leading JPMorgan's investment banking efforts in the Benelux region as well as directly managing many TMT relationships as a senior banker. Currently, John is the Executive Vice President and Chief Financial Officer of The Conservation Fund in the United States. The Conservation Fund has a dual mission to preserve America's most important natural and cultural resources as well as supporting sustainable economic development. John is a graduate of Duke University (Durham, NC).

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 Liberty Global'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 further 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 has been Deputy CEO and COO of the combined Sunrise UPC business since November 16, 2020. Prior to this, Severina held several leadership roles within Liberty Global, most recent as CFO and Deputy CEO of Virgin Media. She served as CEO at UPC Switzerland between 2018 and 2020, CEO of UPC CEE between 2015 and 2018, and as CEO UPC Romania between 2010 and 2015. Severina joined Liberty Global in 2008.

Amy Blair, director (°1966)
Amy Blair is Senior Vice President and Chief People Officer for Liberty Global, a world leader in converged broadband, video and mobile communications and an active investor in cutting-edge infrastructure, content and technology ventures, with 33,000 employees across its operations and 85 million subscribers throughout Europe and the United Kingdom.

Amy is responsible for leading Liberty Global's Human Resource function, including its global People Strategy -a purpose-driven and strategically-aligned approach across talent, organization, culture, engagement, performance management, reward, leadership and internal communications. A member of the Executive Leadership team, Amy oversees critical global people, transformation & change activities resulting from business restructurings and the Company's over 400 M&A transactions spanning Asia Pacific, Latin America and Europe in the last 16 years.

A 30-year industry veteran, Amy joined Liberty Global in its start-up phase in Denver, Colorado and has held numerous international leadership positions including Vice President of Operations Management and Managing Director of Human Resources for European operations, both based in The Netherlands. Today, Amy serves her current role from the company's Global Headquarters in Denver. She has innovated and transformed the People function at every level, including the creation of the Company's flagship talent & leadership programs and its women's leadership network -each fostering a conscious culture of values-based learning. She was instrumental in establishing Liberty Global's Diversity, Equity and Inclusion ("DE&I") Council, where she plays an active role, in addition to overseeing the Company's broader DE&I agenda.

Amy serves on the Board of Directors and the Remuneration Committee of Telenet Group Holding NV, a Liberty Global subsidiary and a Belgian public limited liability company. She is also an active sponsor of various industry and civic organizations and serves as Board Member of The Cable Center, Colorado Public Radio and as Advisory Board member for the Daniels School of Business at the University of Denver. Amy has also held leadership roles with The WICT Network, focused on empowering women in media, entertainment and technology, and guided the launch of the first two chapters outside of the US, in the UK and continental Europe. She has been recognized as Woman of the Year by Women in Cable Telecommunications Rocky Mountain Chapter.

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

Enrique Rodriguez, director (°1962)
Enrique joined Liberty Global as Executive Vice President & Chief Technology Officer in 2018, leading Liberty Global's technology development and operations teams.

Liberty Global's technology organization powers the product development and operations as well as tech strategy for common platforms across Liberty's operating companies and partner markets.

Enrique has over 35 years of experience at high-technology, Fortune 500 global businesses, including TiVo where he was president and CEO, AT&T, Cisco, Thomson, SiriusXM and Microsoft. He is a recognized industry expert in the media, television and Internet service provider business with strong reputation for execution of complex, large-scale, multi-billion dollar service programs.

Madalina Suceveanu, director (°1970)
Madalina Suceveanu was appointed Managing Director for Mobile & Cloud at Liberty Global since 1st April, 2022. In this newly created role, she is driving strategy and investment for the Mobile and Cloud domains across LG, accelerating the 5G transformation and the execution of the Converged strategy.

Prior to this, Ms. Suceveanu held various senior leadership positions at Vodafone Group Plc since 2014, including CTO of the European Cluster, Turkey and Egypt and CTO of Vodafone Ireland. She was responsible for overseeing technology strategy execution, technology investment, innovation facilitation and talent management across seven Vodafone markets in Europe as well as in Egypt and Turkey. She was also responsible for technology integration of the acquired Liberty Global Plc operations since 2018 and served as Chief Networks Officer in Germany since October 2021.

Before her career at Vodafone, she held various responsibilities at Orange Romania S.A. between 1997 and 2013, her last one being the Chief Technology Officer, which she exercised for 3 years. Madalina Suceveanu was also member of the board of directors of Vodafone Ireland Foundation, Orange Foundation, Netshare in Ireland and SIRO-Joint Venture with Electricity Company in Ireland.

Ms. Suceveanu holds a Master of Science degree from the Electronic and Telecommunication faculty of the Polytechnic University of Bucharest (Romania). In 2017, Madalina Suceveanu was recognised as one of the top 25 female technology leaders in the world by Silicon Republic 2017.

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, 2022, seven scheduled board of directors meetings and six 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 2022, article 7:96 of the Belgian Code of Companies and Associations has been applied six times. In 2023, article 7:96 of the Belgian Code of Companies and Associations has 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 and Nomination Committee and the board of directors. The last evaluation took place in July 2020, and the board of directors of December 2020 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 social responsibility and sustainability 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 May 27, 2021, Telenet formally approved the latest Sustainability Report 2021. More information on the Telenet Sustainability program can be found in section 7 of this Financial Report.

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, 2022, the two board committees were composed as follows:

Name	Audit and Risk Committee	Remuneration and Nomination Committee
Jo Van Biesbroeck (JoVB BV)	•	CM
Lieve Creten (Lieve Creten BV)	CM	
Dirk JS Van den Berghe (Dirk JS Van den Berghe Ltd.)		•
Amy Blair		•
John Gilbert	•	
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 specialized 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 four members, including three independent directors of the Company, of whom one is the chair. 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 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 Ms. Lieve Creten, chair 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, Mr. John Gilbert and Mr. Jo Van Biesbroeck, 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. Where necessary and appropriate, the Committee meetings can also take place using video, telephone or internet-based means. 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, 2022, 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 whistleblowing facility is available through the Company's intranet for employees and via the Company's corporate website for external parties. This allows employees of the Company as well as ex-employees, suppliers, contractors, business partners and all other third parties with whom the Company has a business relationship to report any unethical behavior for investigation. It is encouraged to report any conduct they believe violates the Telenet Code of Conduct or any applicable law, rule or regulation as promptly as possible. Complaints can be reported in confidence via a web-based reporting system (24 hours a day, seven days a week) and can be made anonymous if requested. Complaints received through the reporting website are handled by the Compliance team in consultation with the chairman of the Audit and Risk Committee.

The chair 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 Remuneration and Nomination Committee assists, reviews and makes proposals to the Board in relation to the matters as set out hereunder.

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

- 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);
- 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;
- 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
- 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:

- 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;

- 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;
- 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
- 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, 2022, the Remuneration and Nomination Committee met six 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 chair 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). Also, frequent touch points were organized in order to keep the Board members informed at all times on evolutions in major strategic files. These touch points are not presented in the below overview.

Name	Board of Directors (15)	Audit and Risk Committee (6)	Remuneration and Nomination Committee (6)
IDw Consult BV (Bert De Graeve)*	4 (of 4)		3 (of 3)
Christiane Franck*	4 (of 4)	3 (of 3)	
Jo VB BV (Jo Van Biesbroeck)	15 of (15) CM	6 (of 6)	6 (of 6) CM
Lieve Creten BV (Lieve Creten)**	8 (of 9)	3 (of 3) CM	
Dirk JS Van den Berghe Ltd. (Dirk Van den Berghe)**	9 (of 9)		3 (of 3)
John Gilbert**	9 (of 9)	3 (of 3)	
John Porter	12 (of 13)		
Charles H. Bracken	10 (of 13)		
Manuel Kohnstamm	11 (of 13)		
Enrique Rodriguez	8 (of 13)		
Severina Pascu	10 (of 13)	4 (of 6)	
Amy Blair	10 (of 13)		5 (of 6)
Madalina Suceveanu**	8 (of 9)		
André Sarens (Observer)	15 of (15)	6 (of 6)	

CM: Chairman per 31 December 2022
* taking into account the termination of the director mandate at the annual general shareholders' meeting of 27 April 2022.

** taking into account the appointment as director as of the annual general shareholders' meeting of 27 April 2022.

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

During the meetings of the board of directors of February 8, 2022, March 18, 2022, April 26, 2022, July 26, 2022, December 1, 2022, December 24, 2022 and February 14, 2023, article 7:96 of the Belgian Code of Companies and Associations was applied.

- **During the meeting of February 8, 2022, the board of directors discussed, amongst other items, the determination of the bonus 2021 for the CEO. The minutes of the meeting state the following in this respect:**

"Prior to the reporting by the Chairman and the deliberation and any decisions taken by the Board on the recommendation of the Remuneration and Nomination Committee, Mr John Porter declares that in his capacity as CEO he has a potential conflicting interest falling within the scope of Article 7:96 of the Belgian Code on 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 the bonus for the CEO within the meeting of the Remuneration & Nomination Committee of February 3, 2022. The Committee:

- unanimously decides that the CEO will be awarded a bonus of 100.00% of his annual remuneration, i.e. a bonus of 630,000 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 attributed to the CEO."

- **During the meeting of March 18, 2022, the board of directors discussed, amongst other items, the CEO and SLT objectives for the bonus 2022 and the proposed new KPI settings of the Performance Share Plans. The minutes of the meeting state in this respect:**

"Prior to the reporting by the Chairman and the deliberation and any decisions taken by the Board on the recommendation of the Remuneration and Nomination Committee, Mr John Porter declares that in his capacity as CEO he has a potential conflicting interest falling within the scope of Article 7:96 of the Belgian Code on 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 Board was updated on the CEO and SLT objectives for the bonus 2022. A distinction is hereby made between the standard company bonus objectives on the one hand, and the CEO and SLT objectives centered around the key priorities of 2022 on the other. As regards these key priorities, the Chairman reports that these will be centered around (i) people engagement, (ii) commercial intensity, (iii) delivery of platforms, (iv) execution and progress of transformational files, and (v) mitigation of the 2022 budget challenges. At instruction of the Committee, these objectives have also been made concrete enough to allow testing thereof.

As regards the pay-out mechanism for the bonus 2022, the Chairman informs the Board that the recommended option was to place the pay-out of the CEO & SLT bonus between the pay-out ratio of the standard company bonus and 150% of the target bonus. The decision on the pay-out ratio of the CEO & SLT Bonus will hereby be based on the company results and the discretionary decision on the achievement of the CEO & SLT objectives. The pay-out decision would further be valid for the CEO and the whole of the SLT.

The Chairman notes that the CEO and SLT objectives for the bonus 2022 as well as the pay-out mechanism thereof has been endorsed by the Committee and that the Committee recommends the Board to approve the same.

After deliberation and on the basis of the recommendation made by the Committee, the Board decides to confirm, approve and, to the extent necessary, ratify the CEO and SLT objectives for the bonus 2022 and the pay-out mechanism thereof, as set out above.

The Chairman then updates the Board on the new KPI settings of the Performance Share Plans. The Committee hereby concluded and recommends to the Board to approve as follows:

i. to work with ad hoc scenarios for the existing plans
- For the PSP 2020: Extra RS Grant (amount to be determined later);
- For the PSP 2021 | CEO 2021: to agree on the scenario at the Committee meeting of July when the POR 2022 figures are known
ii. to implement a policy with close monitoring of the KPI's twice a year and discretionary decision at the end of the reference period.

After deliberation and on the basis of the recommendation made by the Committee, the Board decides to confirm, approve and, to the extent necessary, ratify the new KPI settings of the Performance Share Plan, as set out above."

- **During the meeting of April 26, 2022, the board of directors discussed, amongst other items, the proposed LTI architecture for 2022 and the dividend compensation mechanism. The minutes of the meeting state in this respect:**

"Prior to the reporting by the Chairman and the deliberation and any decisions taken by the Board on the recommendation of the Remuneration and Nomination Committee, Mr John Porter declares that in his capacity as CEO he has a potential conflicting interest falling within the scope of Article 7:96 of the Belgian Code on 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 Board was then updated on the LTI architecture for 2022, whereby the architecture and KPI's will remain unchanged from last year. The grant will be issued early August, and the Committee decided to endorse, and recommends to the Board to approve, the LTI architecture for 2022.

After deliberation and on the basis of the recommendation made by the Committee, the Board decides to approve, confirm, and to the extent necessary, ratify the LTI architecture as presented to the Committee.

The Board was then updated on the dividend compensation mechanism. Noting that the next dividend is scheduled to be paid out on 4 May 2022 (following approval by the Annual General Shareholders' Meeting), the compensation mechanism as agreed upon will be applied. The formula used hereby remains unchanged: Total amount of outstanding options + unvested shares x amount of the dividend) / closing price of the ex-dividend date. The Committee decided to approve the proposed dividend correction mechanism in line with past practice and issues its recommendation to the Board to endorse the same.

After deliberation, and on the basis of the recommendation made by the Committee, the Board decides to confirm, approve, and ratify the proposed dividend correction mechanism in line with past practice."

- **During the meeting of July 26, 2022, the board of directors discussed, amongst other items, the proposed 2022 LTI Grant and the CEO Performance Plan. The minutes of the meeting state in this respect:**

"Prior to the reporting by the Chairperson and the deliberation and any decisions taken by the Board on the recommendation of the Remuneration and Nomination Committee, Mr John Porter declares that in his capacity as CEO he has a potential conflicting interest falling within the scope of Article 7:96 of the Belgian Code on Companies and Associations. Mr John Porter explains that this is in particular the case in relation to the 2022 LTI Grant and the CEO Performance Plan. Mr John Porter decides to also leave the Board meeting during the discussion of these topics and therefore does not participate in the deliberations or voting hereon.

The Board was first updated on the grant of the LTI plan 2022. In light of the large transformational file(s) currently under discussion, a one-off alternative scenario and approach for the 2022 LTI grant with respect to (i) timing and (ii) ratio was proposed. Management motivated this proposal by explaining that against the background of Project Mariposa and other transformational (strategic) matters, the finance team was not yet able to finalize the translation of the financial numbers from IFRS into USGAAP and furthermore translate them into KPI's. This translation is however essential for the issuance of the 2022 Performance Plan. Furthermore, changing the ratio would limit the risk of difficult KPI setting in current circumstances and is in line with the current trend to higher usage of RSU's. In light hereof, Management proposed, and the Committee decided to endorse and recommend to the Board to approve:
(i) the issuance of the RSU plan in August 2022 and the PS plan during Q4/2022, whereby the KPI's for the PS Plan will be discussed at the Committee meeting of October 2022 prior to issuing the PS plan 2022; and
(ii) to change the PS/RS ratio for the 2022 plan to 50/50, and in the long term analyse the current remuneration package and approach by mid-2023 in order to determine what would be required to remain an attractive employer in a challenging labour

market.
After deliberation and on the basis of the recommendation made by the Committee, the Board decides to approve, confirm, and to the extent necessary, ratify the (i) timing and (ii) ratio of the 2022 LTI grant as presented to the Committee."

- **During the meeting of December 1, 2022, the board of directors discussed, amongst other items, the CEO performance shares and bonus for 2022. The minutes of the meeting state in this respect:**

"Prior to the reporting by the Chair and the deliberation and any decisions taken by the Board on the recommendation of the Remuneration and Nomination Committee, Mr John Porter declares that in his capacity as CEO he has a potential conflicting interest falling within the scope of Article 7:96 of the Belgian Code on Companies and Associations. Mr John Porter explains that this is in particular the case in relation to the topics relating to the 2022 CEO performance shares and bonus for 2022. Mr John Porter therefore also decides to also leave the Board meeting during the discussion of these topics and does not participate in the deliberations or voting hereon.

The Board takes note of the decision of the Remuneration and Nomination Committee to issue the standard 2022 PSP and CEO 2022 PSP on 12 December 2022, under the condition that at that time Telenet is not in an inside information situation and, insofar as necessary, decides to approve, confirm and ratify this decision.

The Chair further reports on the bonus for 2022. Based on the latest financial information, the bonus pay-out will land at 92%. The Committee hereby decided as follows:

The Chair further reports on the bonus for 2022. Based on the latest financial information, the bonus pay-out will land at 92%. The Committee hereby decided as follows:
(i) to release the accrual to 92% (i.e. 2 million EUR); and
(ii) to accommodate for a 150% pay-out of the CEO & SLT objectives if deemed appropriate by the Committee.

The Board takes note of the decision of the Remuneration and Nomination Committee in respect of the bonus for 2022 as set out above and decides on the basis of the recommendation made by Management and the Committee to confirm, approve and, to the extent necessary, ratify this decision."

- **In the written resolutions of the Board adopted on December 24, 2022, the board of directors decided on, amongst other items, the amendment of the long-term remuneration plan for the Senior Leadership Team. The minutes of the meeting state in this respect:**

"The CEO disclosed to the other Directors prior to these Resolutions that he may have a direct interest of a financial nature which conflicts with the interest of the Company within the meaning of article 7:96 BCCA. The CEO, in addition to his position as (managing) director, is also Chief Executive Officer of the Company. With regard to agenda item 1 “Amendment of the long-term remuneration plan for the Senior Leadership Team”, he therefore has a direct interest of a financial (“vermogensrechtelijk” / “patrimoniale”) nature as this agenda item relates to the remuneration of the management of which he is a member as Chief Executive Officer. The CEO will therefore only sign these Resolutions to confirm his possible conflict of interest and to approve the other agenda items. The other Directors have taken note of this. The Resolutions including the description of the nature of the transactions, the financial consequences thereof for the Company and the justification of the Resolutions taken will be included in their entirety in the annual report or in a document filed together with the annual accounts in accordance with Article 7:96 BCCA. The Resolutions will in accordance with Article 7:96 BCCA also be shared with the Company's statutory auditor.

The Board, with the exception of the CEO, resolves to partially amend the current remuneration plan for the Senior Leadership Team from a share-based remuneration plan to a cash-based long-term performance bonus plan ("LTPB Plan") granted to eligible members of the Senior Leadership Team for the period from December 2022 to December 2024. The LTPB Plan provides an additional incentive to the Senior Leadership Team to ensure the success of the Company, to secure the long-term economic and other growth of the Company and to encourage the eligible members to remain at the Company. Furthermore, the LTPB Plan helps to improve the eligible members’ performance and rewards them for achieving future performance targets. The evaluation of the achievement of such targets is made on the basis of objective criteria (key performance indicators or "KPIs") and gross on-target value of the LTPB Plan amounts to 630,000 euro for the CEO and 955,000 for the remainder of the Senior Leadership Team jointly. The proposed amendment to the LTPB Plan only aims at changing the form in which such target remuneration may be payable from Performance Shares to cash. The Board has been notified this was pre-discussed and approved by the Remuneration and Nomination Committee. The Directors confirm that they have thoroughly reviewed the LTPB Plan and consider that it is in the best

interests of the Company. The Directors, with the exception of the CEO, therefore resolve to unanimously approve the amended plan."

- **During the meeting of February 14, 2023, the board of directors discussed, amongst other items, the determination of the bonus for the CEO. The minutes of the meeting state in this respect:**

Prior to the reporting by the Chairman and the deliberation and any decisions taken by the Board on the recommendation of the Remuneration and Nomination Committee, Mr John Porter declares that in his capacity as CEO he has a potential conflicting interest falling within the scope of Article 7:96 of the Belgian Code on 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 the bonus for the CEO within the meeting of the Remuneration & Nomination Committee of February 3, 2023. After careful deliberation, the Committee decided and recommends to the Board to approve a bonus pay-out for 2022 of 92,52%. After deliberation and taking into account the recommendation of the Committee, the Board decides to approve and confirm the bonus pay-out for 2022 at 92,52%. The Chairman then reports on the Committee discussions in respect of the CEO and SLT bonus proposals. After careful deliberation, the Committee decided to endorse and recommend to the Board to approve the multiplication of the 2023 CEO & SLT bonus pay-out with 150%. In respect of the CEO, this will resolute in a bonus for 2022 of 874.314,00 Euro. The Board, after deliberation and on the basis of the recommendation by the Committee, decides to confirm, approve and ratify, to the extent necessary, to multiply the 2023 CEO & SLT bonus pay-out with 150%.

8.5.6.2 Conflicts of interest in the meaning of article 7:97 of the Belgian Code of Companies and Associations

When important decisions and transactions made by Telenet involving parties related to it within the meaning of IAS 24, they are subject to the decision-making procedure as set out in Article 7:97 of the Belgian Code of Companies and Associations, to the extent the decision or transaction would not be exempt from such procedure as provided for in said article. This entails, inter alia, that a committee of three independent directors provides the Board of Directors with a reasoned opinion on the proposed decision or transaction before the Board deliberates on the decision or transaction.The statutory auditor assesses whether there are any material inconsistencies in the financial and accounting information appearing in the Board’s minutes and the Committee's opinion, and in the information it has for performing its audit.

During the meeting of the board of directors of December 16, 2022, article 7:97 of the Belgian Code of Companies and Associations was applied.

At the December 16, 2022 meeting, the board of directors discussed a new service agreement with Liberty Global Technology Services BV pursuant to which three technology applications, namely EOS, OneConnect and Aorta, will be made available by LG to the Telenet Group. 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 7:97 of the Belgian Code of Companies and Associations.

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 LG Master Services Agreement offers the Company the possibility to obtain (or continue) the Covered Services at terms and conditions (including, for the avoidance of doubt, financial conditions such as price) which are market conform, and allows the Company to achieve, in its corporate benefit, its objectives in respect of entertainment (including continuity of services versus migration to another platform), in-home connectivity and IP interconnect.

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:

a. is not of a nature to cause the Company a disadvantage which, in light of the strategy of the Company, is manifestly illegitimate; and
b. 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:

"Following the deliberation in accordance with article 7:97 BCCA as set out before, the Board, excluding Charles H. Bracken, Enrique Rodriguez, Amy Blair, Manuel Kohnstamm, Severina Pascu and Madalina Suceveanu for the reasons as set out above, unanimously RESOLVES to approve the Proposed Transaction and the LG Master Services Agreement, as well as, subject to the implementation of further comments, the press release regarding the Proposed Transaction as required pursuant to article 7:97, §4/1 BCCA. The Board unanimously RESOLVES to grant each of the directors, the CEO of the Company and the CFO of the Company, each with authority to act alone and to substitute, the authority to (i) execute on behalf of the Company the LG Master Services Agreement and any statement, notice, filing, certificate, agreement or other document necessary or useful in order to implement the LG Master Services Agreement, and (i i) finalize and publish the press release regarding the Proposed Transaction as required pursuant to article 7:97, §4/1 BCCA. "

The conclusion of the statutory auditor reads as follows:

"Based on our assessment, nothing has come to our attention that would cause us to conclude that the financial and accounting data included in the opinion of the committee of independent directors dated December 16, 2022 and in the minutes of the board of directors dated December 16, 2022, which motivate the proposed transaction, are not fairly presented in all material respects or are materially inconsistent with the information in our possession in the context of our statutory auditor's engagement."

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 Company Secretary, acting 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 2, 2020.

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 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, 2022, two women were part of the Senior Leadership Team (see below for full composition of the SLT).

At December 31, 2022, 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
Micha Berger*	1970	Chief Technology Officer
Patrick Vincent**	1963	EVP Customer Interactions
Jeroen Bronselaer	1978	EVP Media Telenet
Geert Degezelle	1974	EVP Telenet Business SME & LE
Dieter Nieuwdorp	1975	EVP Residential & SOHO
Ann Caluwaerts	1966	EVP People, Brand & Corporate Affairs
Benedikte Paulissen	1969	EVP Customer Journey, Digital & Data

* Mr. Micha Berger, current Chief Technology Officer, will focus on the further expansion of the network to 10 Gbps from 1 April 2023. His responsibilities will be taken over from 1 April 2023 by Mr. Luk Bruynseels.

** Mr. Patrick Vincent has left Telenet on 31 December 2022. His responsibilities have been taken over from 1 January 2023 by Ms. Benedikte Paulissen and by Mr. Dieter Nieuwdorp.

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 April 26, 2022.

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.

Considering that the members of the SLT are related to Telenet within the meaning of IAS 24, any transactions and/or business relationships between members of the SLT and one or more companies of the Telenet Group are subject to the special decision-making procedure as set out in Article 7:97 of the Belgian Code of Companies and Associations as described in further detail under title 8.5.6.2 above (Conflicts of interest in the meaning of article 7:97 of the Belgian Code of Companies and Associations).

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 a seasoned CEO with over 30 years of experience in the telecommunications, media and entertainment industry. Under his leadership as CEO of Telenet, the leading provider of telecom and entertainment services in Belgium, the company has substantially diversified its portfolio, built the largest Giga-network in Europe, led the way in fixed-mobile convergence and made bold moves in the entertainment space. He is currently also leading the company through a profound agile and digital transformation. He is passionate about advancing diversity, equity and inclusion; promoting servant leadership and leading with purpose.

Prior to joining Telenet, he was the CEO of AUSTAR, a leading entertainment company in Australia. He led the company from its inception until its acquisition by Foxtel. Before that, John also worked at Time Warner (Ohio), Group W, and Westinhouse Cable Systems (Texas & Alabama).

Erik Van den Enden, Chief Financial Officer
Erik Van den Enden, Telenet's Chief Financial Officer ("CFO") as of August 2018, has nearly 20 years of 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 throughout his career.

Before joining Telenet, Erik worked for over a decade at AB InBev, most recently 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.

Within Telenet, Erik assumes leadership over Finance, Procurement, Supply Chain, Wholesale, Strategy and M&A.

Micha Berger, Chief Technology Officer*
Micha Berger joined the Telenet Group in July 2013, and he leads the activities of the Engineering and Build Department, Mobile Services, Service Assurance as Chief Technology Officer & Information Technology Officer ("CTIO"). As of July 1, 2013, he also joined Telenet's Senior Leadership Team, reporting directly to the Company's CEO. Under his leadership, the full HFC and Mobile network upgrade program was launched, which resulted in providing internet speeds of 1 gigabit per second throughout Flanders and Brussels. Beginning on October 1, 2019, the Information Technology department was added to his responsibilities.

Micha is the driving force behind Telenet's largest and biggest digital transformation program that will bring new ways of working for everyone in the company and improve customer experience, powered by a new flexible and state-of-the-art IT platform.

Micha's recent achievements have been recognized publicly when receiving the 2020 CTO of the year award from the Mobile Europe organization.

Prior to Telenet, Micha was part of Liberty Global, initially starting as Manager of the Engineering Department at UPC Nederland. After the experience in the Netherlands operations, Micha joined the Liberty Global central team where he was responsible for Horizon Next Generation digital TV development and product roll-out. Before these endeavors, he gained his first experience in the cable industry in Israel, where he was responsible for the development of the interactive digital service platform and the roll-out of video-on-demand.

Micha lives in Brussels with his wife and three children, enjoys outdoor activities, sports and gets inspired by the combination of people and technology.

Luk Bruynseels, Chief Product & Technology Officer*

Luk Bruynseels (°1981) has over 20 years of experience in the technology and telecom sector, first in his own startup in online marketing during his studies, later as consultant. Luk joined Telenet in 2009 with different roles in the Engineering department. From 2015 until 2017, he was the network M&A lead for the cable/mobile merger with BASE including responsibility upgrading the mobile network and for post-merger synergy realization. From 2018 Luk became VP Engineering, bringing fixed, tv and mobile together and transformed the department to work agile as of 2020. His scope was extended in 2021 with the connectivity product and customer journey design. Luk was also co-starter and sponsor of TADAAM, the Telenet digital Fixed Wireless Access service.

Luk Bruynseels studied Civil Engineering Electronics at KU Leuven and obtained a postgraduate Corporate Finance at KU Leuven. He is a father of two and enjoys sports (football, running, hiking, and snowboarding) and travelling.

Patrick Vincent, EVP Customer Interactions**

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. After the implementation of Agile working in Telenet, Patrick took up the role of EVP Customer Interactions Retail Market, SoHo and BASE Brand.

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.

Patrick Vincent has left Telenet on 31 December 2022.

Jeroen Bronselaer, EVP Media Telenet

Jeroen Bronselaer became CEO of SBS Belgium in November 2020. He combines this role with the role of Executive Vice President Media, responsible for the follow-up and strategic guidance of all media assets of the Telenet group. Jeroen is a member of the Senior Leadership Team.

Jeroen joined Telenet in September 2010, and, at the very start of his career with the telco operator, was responsible for the negotiations and relationships with broadcasters and content suppliers. In addition to this, he later also took on responsibility for Play, Play More and Play Sports of Telenet. Jeroen joined the Senior Leadership Team in 2015 as head of the residential marketing department, assuming responsibility for positioning, branding and marketing of all residential products of both the Telenet and the BASE brand. He remained in this role until November 2020.

Before his employment at Telenet, Jeroen was employed by the Flemish public broadcaster VRT, where he started as producer of the successful children's game KetnetKick, but quickly evolved to more business-oriented positions within the VRT Media department. Jeroen Bronselaer holds a master's degree as a commercial engineer, and a post graduate degree in communication from the KU Leuven.

Geert Degezelle, EVP Telenet Business
Geert Degezelle joined the Telenet Group in February 2021. He is responsible for the Telenet Group's business-to-business division and joined the Senior Leadership Team in September 2021.

Mr. Degezelle started his career in the ICT sector at Simac, later founded a company in OSS/BSS for telecom & financial service operators. In 2005 Mr. Degezelle moved to ICT integrator Telindus (acquired later by Proximus). During this period Mr. Degezelle held different functions in telecom and ICT within the B2B market of Proximus (fix/mobile, cybersecurity, cloud, networking and M&A strategy). In 2015, Mr. Degezelle was appointed CEO of Telindus Netherlands. Mr. Degezelle holds a Master in Engineering Telecommunication (HA) and an Executive MBA of Flanders Business School (by KUL).

Dieter Nieuwdorp, EVP Residential & SOHO
As of November 2020, Dieter Nieuwdorp is member of the Senior Leadership Team and became responsible for the Residential Market, SOHO & Corporate Development.

From May 1, 2014 until November 1, 2020, Dieter was as Senior Vice President Strategy & Corporate Development within the SLT responsible for the development of the general strategy of the company and the structuring of M&A transactions and other partnerships. 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. Prior to Telenet, 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, EVP People, Brand & Corporate Affairs
Ann Caluwaerts, Executive Vice-president People, Brand & Corporate Affairs, brings to the table over 30 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, human resources and marketing as well as managing P&L's. Within Telenet, she is currently responsible for human resources, brand and communication and corporate affairs. Ann graduated as civil engineer electronics (KUL) and followed different courses at (a.o.) Insead, Londen Business School, Colombia University, Singularity University and Guberna. She regularly speaks at conferences and academic organizations.

Benedikte Paulissen, EVP Customer Journey, Digital & Data
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 data & digital transformation and the customer centric experience. In 2019 she became responsible for the data, digital and the journey-teams. In this role she is engaging the company in managing the customer relationship and in creating a persistent focus on the customer. She is driving the organization to work together for the optimal customer experience delivery.

* Mr Micha Berger, current Chief Technology Officer, will focus on the further expansion of the network to 10 Gbps from 1 April 2023. His responsibilities will be taken over from 1 April 2023 by Mr Luk Bruynseels.

** Mr Patrick Vincent has left Telenet on 31 December 2022. His responsibilities have been taken over as of 1 January 2023 by Benedikte Paulissen and by Dieter Nieuwdorp.

8.7 Remuneration report

8.7.1 Introduction

This remuneration report provides a comprehensive and complete overview of the remuneration paid or payable to the Directors and Executive Management during 2022. The remuneration of the directors and members of the SLT was awarded in accordance with remuneration policy as approved by the general shareholders' meeting held on April 27, 2022 (the Remuneration Policy) with the exception of the grant of a cash-based long term performance bonus plan due to the exceptional circumstances Telenet was in in 2022 (see infra). The key points of this Remuneration Policy can be summarized as follows:

1. Remuneration of directors

The remuneration of the independent directors is as follows:

- A fixed annual remuneration of the chairman of the board of directors of €120,000
- A fixed annual remuneration for each independent director of €45,000
- Attendance fees for board meetings for the independent directors €3,500
- Attendance fees for the chair of the Audit and Risk Committee for Audit and Risk Committee meetings at €4,000 per meeting
- Attendance fees for the other independent directors participating in the Audit and Risk Committee at €3,000 per meeting
- Attendance fees for independent directors participating in the Remuneration and Nomination Committee at €2,000.

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 observer to the board of directors of Telenet is remunerated in the same manner as the independent directors of the Company but does not receive an attendance fee for participating in 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.

2. Remuneration of Executive Management

The Company's remuneration policy of the SLT is built around internal fairness and external market competitiveness. The Company strives for an optimal mix between the different components of the remuneration package.

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, linking remuneration 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, 2022, 100% of management's bonuses depended on financial and operational targets. The functioning of each member of the SLT was assessed on the basis of the company's competence and leadership model and relevant specific operational objectives.

The CEO's annual remuneration package consists of a fixed part, a variable part (partly short term and partly long term), and includes premiums paid for group insurance and benefits in kind. The short term variable cash remuneration depends on performance criteria relating to the respective financial year. In addition, the Remuneration and Nomination Committee can decide to grant stock options, performance shares and/or restricted shares.

The annual remuneration of the members of the SLT (excluding the CEO) consists of a fixed salary, a variable remuneration part (partly short term and partly long term), and includes premiums paid for group insurance and benefits in kind. The short term variable cash remuneration depends on performance criteria relating to the respective financial year. In addition, the Remuneration and Nomination Committee can decide to grant stock options, performance shares and/or restricted shares.

The Performance Share Plans 2021, 2020 and 2019 for members of the SLT contain a provision regarding "claw back" of variable remuneration granted in case of restatement of the Company's financial statements. None of the Company's other share-based compensation plans, including those with the CEO, have such "claw back" features.

For more information we refer to the Remuneration Policy prepared in accordance with Article 7:89/1 of the Companies and Associations Code as approved by the general meeting of April 28, 2021.

8.7.2 Remuneration of directors

The table below provides an overview of the individual remuneration, paid or payable in 2022, of each director and of the observer to the board of directors, including committee fees and any remuneration received from a Group company.

Principle 7.6 of the Corporate Governance Code 2020 provides that "non-executive board members receive part of their remuneration in the form of shares in the company. These shares should be held until at least one year after the non-executive board members leaves the board and at least three years after the moment of award. However, no stock options should be granted to non-executive board members". In deviation hereof, upon recommendation of the remuneration and nomination committee, the company decided not to grant any variable and any profit-related incentives, option rights, shares or other similar fees to its directors (except for the CEO, who is also an executive director).

Taking into account the composition of the board of directors (consisting of one executive director, four independent non-executive directors and six 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 regularly evaluates this position.

Name	Remuneration 2022
Bert De Graeve (IDw Consult BV) (CM until April 26, 2022)	€60,000
John Porter	—
Christiane Franck	€38,000
Jo Van Biesbroeck (JoVB BV) (CCM)	€173,500
Lieve Creten (Lieve CRETEN BV)	€73,500
Dirk JS Van den Berghe Ltd	€67,500
John Gilbert	€67,000
Charles H. Bracken	€32,000
Manuel Kohnstamm	€34,000
Enrique Rodriguez	€28,000
Severina Pascu	€32,000
Madalina Suceveanu	€24,000
Amy Blair	€32,000
André Sarens *	€90,500

CCM: Current Chairman - in function as of April 27, 2022

(*) Observer

8.7.3 Remuneration of Executive Management (Senior Leadership Team)

1. Total Remuneration

In application of the remuneration policy as set out in section 8.7.1, the members of the SLT received the following remuneration:

	1. Fixed remuneration [1]		2. Variable remuneration		3. Other Share Based Remuneration [4]	4. Group Insurance [5]	5. Total Remuneration	6. Proportion of Fixed and Variable Remuneration	
	Base Salary	Other Benefits	One-Year Variable [2]	Multi-Year Variable [3]					
John Porter - CEO [6]	€630,000	€108,083	€850,314	€462,640	€1,896,599	€330,068	€4,277,704		69 %
SLT [6]	€3,054,772	€167,796	€1,420,980	€734,834	€2,285,547	€323,409	€7,987,338		73 %
Total	**€3,684,772**	**€275,879**	**€2,271,294**	**€1,197,474**	**€4,182,146**	**€653,477**	**€12,265,042**	**Fixed** **Variable:**	**71.7 %** **28.3 %**

(1) All monetary amounts are presented as gross figures.

(2) The reported amount is equal to the monetary value of the variable remuneration that vested in the course of the year under consideration, on the basis of performance criteria for that year.

(3) The reported amount is equal to the monetary value of the performance shares that vested in the course of the year under consideration, on the basis of performance criteria with a time span exceeding one year.

(4) The reported amount includes the estimated gain of the vested Restricted shares and Stock options. The estimated gain of vested options amounted to 0 as all outstanding options are below strike price, so only restricted shares are included.

(5) The contributions effectively paid during the year under consideration, to voluntary and mandatory or statutory pension arrangements.

(6) The amount for SLT includes the remuneration of members who have left, namely M. Tempels who left on 31/05/2022. The amount in the table above excludes the certain benefit payments done for the 2017 Stock Option Plan, being an amount of 258,481 EUR for the SLT members and 373,054 EUR for the CEO.

2. Remuneration using Stock Options

Within the limits of the existing stock option plans approved by the general shareholders' meeting, the board of directors, upon recommendation of the Remuneration and Nomination Committee, can grant stock options to the members of the SLT. Upon recommendation of the Remuneration and Nomination Committee, the board of directors decided not to make use of the possibility provided by the Remuneration Policy to grant stock options during 2022.

The members of the SLT nevertheless still hold stock options that were awarded in previous performance years. The plans relating to such options provide in a gradual 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 table below provides an overview of the total the current stock options owned by each member of the SLT at December 31, 2022.

	The main conditions of the share option plan						Information regarding the reported financial year			
							Opening Balance	During the Year (*)		Closing Balance
	1. Plan	2. Award Date	3. Vesting Date	4. End of Retention Period	5. Exercise Period	6. Exercise Price of the Share	7. Share Options Held at the Beginning of the Year (2)	8. a) Number of Share Options Awarded b) Value of the Underlying Shares @ Offer Date (3)	9. a) Number of Share Options Vested b) Value of Underlying Shares @ Year End c) Value @ Strike Price d) Gain @ Vesting Date (4)	10. Share Options Awarded and Unvested(5)
John Porter - CEO	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	218,555	a) 0 b) —	a) 43,711 b) € 666,593 c) € 1,537,316 d) € —	65,563
	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	185,611	a) 0 b) —	a) 37,122 b) € 566,114 c) € 1,727,667 d) € —	18,567
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	230,915	a) 0 b) —	a) 23,092 b) € 352,145 c) € 875,399 d) € —	—
	SOP 2017	8/06/2017	1/04/2021	N/A	8/6/2017 - 8/6/2022	€51.60	200,198	a) 0 b) —	a) — b) € — c) € — d) € —	—

					Total:		**835,279**	**a)** **b)**	**0 a)** **— b) €** **c) €** **d) €**	**103,925** **1,584,852** **4,140,382** **—**	**84,130**
Ann Caluwaerts - EVP	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	28,594	a) b)	0 a) — b) € c) € d) €	5,719 87,212 201,130 —	8,578
	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	17,207	a) b)	0 a) — b) € c) € d) €	3,441 52,481 160,163 —	1,727
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	16,901	a) b)	0 a) — b) € c) € d) €	1,690 25,774 64,072 —	—
	SOP 2017	8/06/2017	1/04/2021	N/A	8/6/2017 - 8/6/2022	€51.60	11,267	a) b)	0 a) — b) € c) € d) €	— — — —	—
					Total:		**73,969**	**a)** **b)**	**0 a)** **— b) €** **c) €** **d) €**	**10,850** **165,467** **425,365** **—**	**10,305**
Benedikte Paulissen - EVP	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	28,594	a) b)	0 a) — b) € c) € d) €	5,719 87,212 201,130 —	8,578

	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	23,244	a) 0 b) —	a) 4,649 b) € 70,894 c) € 216,355 d) € —	2,328
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	22,535	a) 0 b) —	a) 2,254 b) € 34,366 c) € 85,430 d) € —	—
	SOP 2017	8/06/2017	1/04/2021	N/A	8/6/2017 - 8/6/2022	€51.60	22,535	a) 0 b) —	a) — b) € — c) € — d) € —	—
					Total:		**96,908**	**a) 0** **b) —**	**a) 12,622** **b) € 192,472** **c) € 502,915** **d) € —**	**10,906**
Dieter Nieuwdorp - EVP	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	40,069	a) 0 b) —	a) 8,014 b) € 122,210 c) € 281,845 d) € —	12,023
	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	17,207	a) 0 b) —	a) 3,441 b) € 52,481 c) € 160,163 d) € —	1,727
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	33,394	a) 0 b) —	a) 3,339 b) € 50,926 c) € 126,597 d) € —	—

	SOP 2017	8/06/2017	1/04/2021	N/A	8/6/2017 - 8/6/2022	€51.60	27,417	a) 0 b) —	a) — b) € — c) € — d) € —	—
					Total:		**118,087**	**a) 0** **b) —**	**a) 14,794** **b) € 225,617** **c) € 568,605** **d) € —**	**13,750**
Erik Van den Enden - CFO	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	54,639	a) 0 b) —	a) 10,928 b) € 166,649 c) € 384,331 d) € —	16,391
	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	31,697	a) 0 b) —	a) 6,339 b) € 96,676 c) € 295,036 d) € —	3,181
	SOP 2018	2/11/2018	1/10/2022	N/A	2/11/2018 - 2/11/2023	€44.62	53,781	a) 0 b) —	a) 5,378 b) € 82,016 c) € 239,971 d) € —	—
					Total:		**140,117**	**a) 0** **b) —**	**a) 22,645** **b) € 345,341** **c) € 919,338** **d) € —**	**19,572**
Jeroen Bronselaer - EVP	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	28,594	a) 0 b) —	a) 5,719 b) € 87,212 c) € 201,130 d) € —	8,578

	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	23,244	a) 0 b) —	a) 4,649 b) € 70,894 c) € 216,355 d) € —	2,328
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	22,535	a) 0 b) —	a) 2,254 b) € 34,366 c) € 85,430 d) € —	—
	SOP 2017	8/06/2017	1/04/2021	N/A	8/6/2017 - 8/6/2022	€51.60	14,084	a) 0 b) —	a) — b) € — c) € — d) € —	—
					Total:		**88,457**	**a) 0** **b) —**	**a) 12,622** **b) € 192,472** **c) € 502,915** **d) € —**	**10,906**
Martine Tempels* - EVP	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	40,069	a) 0 b) —	a) 8,014 b) € 122,210 c) € 281,845 d) € —	—
	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	34,029	a) 0 b) —	a) 6,806 b) € 103,788 c) € 316,742 d) € —	—
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	33,802	a) 0 b) —	a) 3,380 b) € 51,548 c) € 128,143 d) € —	—

	SOP 2017	8/06/2017	1/04/2021	N/A	8/6/2017 - 8/6/2022	€51.60	33,802	a) b)	0 —	a) b) € c) € d) €	— — — —	—
					Total:		**141,702**	**a)** **b)**	**0** **—**	**a)** **b) €** **c) €** **d) €**	**18,200** **277,546** **726,730** **—**	**—**
Micha Berger - CTO	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	51,989	a) b)	0 —	a) b) € c) € d) €	10,398 158,566 365,691 —	15,599
	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	42,262	a) b)	0 — 0	a) b) € c) € d) €	8,452 128,899 393,375 —	4,228
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	16,901	a) b)	0 —	a) b) € c) € d) €	1,690 25,774 64,072 —	—
	SOP 2017	8/06/2017	1/04/2021	N/A	8/6/2017 - 8/6/2022	€51.6	33,802	a) b)	0 —	a) b) € c) € d) €	— — — —	—
					Total:		**144,954**	**a)** **b)**	**0** **—**	**a)** **b) €** **c) €** **d) €**	**20,540** **313,239** **823,138** **—**	**19,827**

Patrick Vincent - EVP**	SOP 2020	11/05/2020	1/04/2024	N/A	11/5/2020 - 11/5/2025	€35.17	40,069	a) 0 b) —	a) 8,014 b) € 122,210 c) € 281,845 d) € —	12,023
	SOP 2019	6/05/2019	1/04/2023	N/A	6/5/2019 - 6/5/2024	€46.54	25,000	a) 0 b) —	a) 5,000 b) € 76,250 c) € 232,700 d) € —	2,500
	SOP 2018	6/06/2018	1/04/2022	N/A	6/6/2018 - 6/6/2023	€37.91	22,535	a) 0 b) —	a) 2,254 b) € 34,366 c) € 85,430 d) € —	—
					Total:		**87,604**	**a) 0** **b) —**	**a) 15,268** **b) € 232,826** **c) € 599,975** **d) € —**	**14,523**

(*) Martine Tempels has left Telenet on May 31, 2022.
(**) Patrick Vincent has left Telenet on December 31, 2022.

(1) N/A: not applicable: the stock option plan for the present illustration does not include a retention provision following vesting/exercise of the option (2) The number of options at the beginning of the year under consideration (3) The number of options granted during the year under consideration as well as the value of the underlying shares at the market price at the offer date (4) The number of options vested during the year under consideration as well as the value of the underlying shares at the market price of December 31 of the year under consideration, the value of the underlying shares at the strike price and the corresponding gain at the vesting date (the difference between the previous two values) (5) The number of options not yet vested at the end of the year under consideration

3. Share-based remuneration

The Remuneration Policy provides that the board of directors, on the recommendation of the Remuneration and Nomination Committee, may grant performance shares and/or restricted shares to members of the SLT.

During 2022, the board of directors decided to award the SLT members with restricted shares, as well as additional restricted shares in order to mitigate the impact of dividend distributions on the share price in accordance with the Remuneration Policy. Due to the unavailability of relevant KPIs and restrictions applicable pursuant to the Market Abuse Regulation, Telenet was during 2022 unable to grant performance shares or alternative share plans in accordance with its Remuneration Policy.

In light of the foregoing, the board of directors decided to grant an exceptional cash bonus to the SLT members, linked to KPI's defined for a reference period from 2022 until 2024. This cash-based long term performance bonus plan (LTPB) provides an additional long term incentive to the SLT members. Furthermore, the LTPB plan helps to improve the eligible SLT members' performance and rewards them for achieving future performance targets. The evaluation of the achievement of such targets is made on the basis of objective criteria (KPI's). The gross on-target value of the LTPB Plan amounts to 630,000 EUR for the CEO, and 955,000 EUR for the SLT members.

As a result of the application of the Remuneration Policy, the share ownership in the Company by members of the Senior Leadership Team constitutes 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 SLT 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 (short term 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. With regards to long-term incentives, the Remuneration and Nomination Committee considers that at this time additional claw-back provisions are not necessary given the design of the implemented share plans which provide for sufficiently long vesting and retention periods. Telenet shall continue to consider principle 7.12 of the Corporate Governance Code 2020 as appropriate.

The table below sets out the information regarding the type and number of shares granted or offered to members of the SLT (or former SLT members to the extent that share-based remuneration events took place during the reported financial year) during 2022 and the main conditions for the exercise of the rights of these shares. It also contains the relevant information for shares granted in the previous performance years and not vested yet or still under retention obligations.

	The Main Conditions of the Share Plan					Information Regarding the Reported Financial Year				
						Opening Balance	During the Year		Closing Balance	
	1. Specification of the Plan	2. Performance Period	3. Award Date	4. Vesting Date	5. End of Retention Period	6. Shares Held at the Beginning of the Year (1)	7.a) Number of Shares Awarded b) Value of the Shares @ Offer Date (2)	8.a) Number of Shares Vested b) Value of Shares @ Vesting Date (3)	9. Shares Awarded and Unvested at Year-End (4)	10. Shares Subject to a Retention Period (5)
John Porter - CEO	PS 2021	01/01/2021-31/12/2022	8/4/2021	8/4/2024	8/4/2024	51,758	a) b)	a) b)	51,758	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	25,952	a) b)	a) b)	25,952	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	19,222	a) b)	a) 17,685 b) € 462,640	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 53,287 b) € 1,508,022	a) 53,287 b) € 1,508,022	—	53,287
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	47,662	a) b)	a) b)		47,662
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	35,747	a) b)	a) b)		35,747
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	44,761	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	46,056	a) b)	a) b)		—
	RS 2022		8/1/2022	8/1/2023	8/1/2026	—	93,902 € 1,465,810	— —	93,902	93,902
	RS 2021		8/4/2021	8/4/2022	8/4/2025	27,870	a) — b) —	a) 11,148 b) € 166,105	16,722	27,870
	RS 2020		5/11/2020	5/11/2021	5/11/2024	14,903	a) b)	a) 8,942 b) € 222,472	—	14,903
	RS 2019		5/6/2019	5/6/2020	5/6/2023	19,222	a) b)	a) — b) —	—	11,533

	CEO PS 2021	01/01/2021-31/12/2022	8/4/2021	8/4/2024	8/4/2024	127,710	a) b)	a) b)	127,710	
					Total:	**460,863**	**a) 147,189** **b) €2,973,832**	**a) 91,062** **b) € 2,359,239**	**316,044**	**284,904**
Ann Caluwaerts - EVP	PS 2021	01/01/2021-31/12/2022	4/08/2021	4/08/2024	4/08/2024	9,489	a) b)	a) b)	9,489	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	4,758	a) b)	a) b)	4,758	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	2,609	a) b)	a) 2,401 b) € 62,810	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 4,486 b) € 126,954	a) 4,486 b) € 126,954	—	4,486
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	4,012	a) b)	a) b)		4,012
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	3,457	a) b)	a) b)		3,457
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	4,281	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	3,894	a) b)	a) b)		—
	RS 2022		1/08/2022	1/08/2023	1/08/2026	—	17,219 € 268,789	a) — b) —	17,219	17,219
	RS 2021		4/08/2021	4/08/2022	4/08/2025	5,109	a) — b) —	a) 2,044 b) € 30,450	3,065	5,109
	RS 2020		5/11/2020	5/11/2021	5/11/2024	3,971	a) b)	a) 2,383 b) € 59,279	—	3,971
	RS 2019		5/6/2019	5/6/2020	5/6/2023	2,609	a) b)	a) — b) —	—	1,565

					Total:	44,189	a) 21,705 b) € 395,742	a) 11,314 b) € 279,493	34,531	39,819
Benedikte Paulissen - EVP	PS 2021	01/01/2021-31/12/2022	4/08/2021	4/08/2024	4/08/2024	9,489	a) b)	a) b)	9,489	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	4,758	a) b)	a) b)	4,758	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	3,524	a) b)	a) 3,243 b) € 84,837	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 5,850 b) € 165,555	a) 5,850 b) € 165,555	—	5,850
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	5,233	a) b)	a) b)		5,233
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	4,401	a) b)	a) b)		4,401
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	6,128	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	7,093	a) b)	a) b)		—
	RS 2022		1/08/2022	1/08/2023	1/08/2026	—	17,216 € 268,742	a) — b) —	17,216	17,216
	RS 2021		4/08/2021	4/08/2022	4/08/2025	3,811	a) — b) —	a) 1,524 b) € 22,714	2,287	3,811
	RS 2020		5/11/2020	5/11/2021	5/11/2024	3,183	a) b)	a) 1,910 b) € 47,516	—	3,183
	RS 2019		5/6/2019	5/6/2020	5/6/2023	3,524	a) b)	a) — b) —	—	2,114
					Total:	51,144	a) 23,066 b) € 434,297	a) 12,527 b) € 320,622	33,750	41,808

Dieter Nieuwdorp - EVP	PS 2021	01/01/2021-31/12/2022	4/08/2021	4/08/2024	4/08/2024	9,489	a) b)	a) b)	9,489	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	4,758	a) b)	a) b)	4,758	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	2,609	a) b)	a) 2,401 b) € 62,810	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 6,795 b) € 192,299	a) 6,795 b) € 192,299	—	6,795
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	6,077	a) b)	a) b)		6,077
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	5,116	a) b)	a) b)		5,116
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	6,345	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	7,424	a) b)	a) b)		—
	RS 2022		1/08/2022	1/08/2023	1/08/2026	—	17,216 € 268,742	a) — b) —	17,216	17,216
	RS 2021		4/08/2021	4/08/2022	4/08/2025	3,186	a) — b) —	a) 1,274 b) € 18,989	1,912	3,186
	RS 2020		5/11/2020	5/11/2021	5/11/2024	2,842	a) b)	a) 1,705 b) € 42,425	—	2,842
	RS 2019		5/6/2019	5/6/2020	5/6/2023	2,609	a) b)	a) — b) —	—	1,565
					Total:	**50,455**	**a) 24,011** **b) € 461,041**	**a) 12,175** **b) € 316,523**	**33,375**	**42,797**

Erik Van den Enden - CFO	PS 2021	01/01/2021-31/12/2022	4/08/2021	4/08/2024	4/08/2024	12,940	a) b)	a) b)	12,940	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	6,488	a) b)	a) b)	6,488	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	4,805	a) b)	a) 4,421 b) € 115,653	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 8,513 b) € 240,918	a) 8,513 b) € 240,918	—	8,513
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	7,615	a) b)	a) b)		7,615
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	6,392	a) b)	a) b)		6,392
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	6,171	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	4,845	a) b)	a) b)		—
	RS 2022		1/08/2022	1/08/2023	1/08/2026	—	23,476 € 366,460	a) — b) —	23,476	23,476
	RS 2021		4/08/2021	4/08/2022	4/08/2025	6,967	a) — b) —	a) 2,787 b) € 41,523	4,180	6,967
	RS 2020		5/11/2020	5/11/2021	5/11/2024	6,488	a) b)	a) 3,893 b) € 96,853	—	6,488
	RS 2019		5/6/2019	5/6/2020	5/6/2023	4,805	a) b)	a) — b) —	—	2,883
					Total:	**67,516**	**a) 31,989** **b) € 607,378**	**a) 19,614** **b) € 494,947**	**47,084**	**62,334**

Jeroen Bronselaer - EVP	PS 2021	01/01/2021-31/12/2022	4/08/2021	4/08/2024	4/08/2024	9,489	a) b)	a) b)	9,489	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	4,758	a) b)	a) b)	4,758	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	3,524	a) b)	a) 3,243 b) € 84,837	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 5,228 b) € 147,952	a) 5,228 b) € 147,952	—	5,228
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	4,677	a) b)	a) b)		4,677
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	4,098	a) b)	a) b)		4,098
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	4,759	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	4,630	a) b)	a) b)		—
	RS 2022		1/08/2022	1/08/2023	1/08/2026	—	a) 17,216 b) € 268,742	a) — b) —	17,216	17,216
	RS 2021		4/08/2021	4/08/2022	4/08/2025	5,109	a) — b) —	a) 2,044 b) € 30,450	3,065	5,109
	RS 2020		5/11/2020	5/11/2021	5/11/2024	3,774	a) b)	a) 2,264 b) € 56,338	—	3,774
	RS 2019		5/6/2019	5/6/2020	5/6/2023	3,524	a) b)	a) — b) € —	—	2,114
					Total:	**48,342**	**a) 22,444** **b) € 416,694**	**a) 12,779** **b) € 319,577**	**34,528**	**42,216**

Martine Tempels* - EVP	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	4,758	a) b)	a) b)	4,758	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	3,524	a) b)	a) 3,243 b) € 84,837	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 6,770 b) € 191,591	a) 6,770 b) € 191,591	—	6,770
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	6,055	a) b)	a) b)		6,055
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	6,149	a) b)	a) b)		6,149
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	6,217	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	5,817	a) b)	a) b)		—
	RS 2020		5/11/2020	5/11/2021	5/11/2024	4,758	a) b)	a) 2,855 b) € 71,027	—	4,758
	RS 2019		5/6/2019	5/6/2020	5/6/2023	1,723	a) b)	a) — b) —	—	1,034
					Total:	**39,001**	**a) 6,770** **b) € 191,591**	**a) 12,868** **b) € 347,455**	**4,758**	**24,766**
Micha Berger - CTO	PS 2021	01/01/2021-31/12/2022	4/08/2021	4/08/2024	4/08/2024	17,253	a) b)	a) b)	17,253	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	8,651	a) b)	a) b)	8,651	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	6,407	a) b)	a) 5,895 b) € 154,213	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 9,270 b) € 262,341	a) 9,270 b) € 262,341	—	9,270

	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	8,291	a) b)	a) b)		8,291
	CRS 2021 May		5/11/2021	5/11/2021	5/11/2023	6,864	a) b)	a) b)		6,864
	CRS 2020 Dec		12/7/2020	12/7/2020	12/7/2022	8,306	a) b)	a) b)		—
	CRS 2020 May		5/11/2020	5/11/2020	5/11/2022	9,453	a) b)	a) b)		—
	RS 2022		1/08/2022	1/08/2023	1/08/2026	—	a) 31,301 b) € 488,609	a) — b) —	31,301	31,301
	RS 2021		4/08/2021	4/08/2022	4/08/2025	8,317	a) — b) —	a) 3,327 b) € 49,569	4,990	8,317
	RS 2020		5/11/2020	5/11/2021	5/11/2024	8,651	a) b)	a) 5,191 b) € 129,142	—	8,651
	RS 2019		5/6/2019	5/6/2020	5/6/2023	4,606	a) b)	a) — b) —	—	2,764
					Total:	**86,799**	**a) 40,571** **b) € 750,950**	**a) 23,683** **b) € 595,265**	**62,195**	**75,458**
Patrick Vincent - EVP**	PS 2021	01/01/2021-31/12/2022	4/08/2021	4/08/2024	4/08/2024	9,489	a) b)	a) b)	9,489	
	PS 2020	01/01/2020-31/12/2022	5/11/2020	5/11/2023	5/11/2023	4,758	a) b)	a) b)	4,758	
	PS 2019	01/01/2019-31/12/2021	5/6/2019	5/6/2022	5/6/2022	3,524	a) b)	a) 3,243 b) € 84,837	—	
	CRS 2022 May		5/5/2022	5/5/2022	5/5/2024	—	a) 5,444 b) 154,065	a) 5,444 b) € 154,065	—	5,444
	CRS 2021 Dec		12/8/2021	12/8/2021	12/8/2023	4,869	a) b)	a) b)		4,869

	CRS 2021 May	5/11/2021	5/11/2021	5/11/2023	4,103	a) b)	a) b)		4,103
	CRS 2020 Dec	12/7/2020	12/7/2020	12/7/2022	5,195	a) b)	a) b)		—
	CRS 2020 May	5/11/2020	5/11/2020	5/11/2022	5,246	a) b)	a) b)		—
	RS 2022	1/08/2022	1/08/2023	1/08/2026	—	a) 17,216 b) € 268,742	a) — b) —	17,216	17,216
	RS 2021	4/08/2021	4/08/2022	4/08/2025	3,811	a) — b) —	a) 1,524 b) € 22,714	2,287	3,811
	RS 2020	5/11/2020	5/11/2021	5/11/2024	4,758	a) b)	a) 2,855 b) € 71,027	—	4,758
	RS 2019	5/6/2019	5/6/2020	5/6/2023	3,524	a) b)	a) — b) —	—	2,114
				Total:	49,277	a) 22,660 b) € 422,807	a) 13,066 b) € 332,643	33,750	42,315
Geert Degezelle	CRS 2022 MAY	5/5/2022	5/5/2022	5/5/2024	—	a) 195 b) € 5,519	a) 195 b) € 5,519	—	195
	CRS 2021 DEC	12/8/2021	12/8/2021	12/8/2023	174	a) b)	a) b)		174
	CRS 2021 MAY	5/11/2021	5/11/2021	5/11/2023		a) b)	a) b)		—
	RS 2022	8/1/2022	8/1/2023	8/1/2026	—	a) 17,216 b) € 268,742	a) — b) —	17,216	17,216
	RS 2021	8/4/2021	8/4/2022	8/4/2025	1,399	a) 0 b) 0	a) 560 b) € 8,338	839	1,399

		a) 17,411	a) 755			
Total:	1,573	b) € 274,261	b) € 13,857		18,055	18,984

(*) Martine Tempels has left Telenet on May 31, 2022.
(**) Patrick Vincent has left Telenet on December 31, 2022.

(1) The number of shares not yet vested and shares still subject to retention at the beginning of the year under consideration (2) The number of shares granted during the year under consideration as well as the value of those shares at the market price at the granting date (3) The number of shares vested during the year under consideration as well as the value of those shares at the market price at the vesting date. In accordance with the plan rules, the main financial metric for the PSP 2018 was an OCF CAGR, and the plan vested for 85%. (4) The number of shares not yet vested at the end of the year under consideration (5) The number of shares still subject to retention at the end of the year under consideration

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..

4. Annual variable remuneration

The variable cash remuneration depends on performance criteria relating to the respective financial year. For the year ended 31 December 2022, the board of directors approved a cash bonus to the CEO and the members of the SLT based on company-wide objectives applied as follows:

KPIs		Relative Weight	Optional Information					
			a)	Threshold Performance	a)	Maximum Performance	a)	Measured Performance
			b)	Corresp. Pay-Out Rate (*)	b)	Corresp. Pay-Out Rate (*)	b)	Corresp. Pay-Out Rate (*)
KPI 1		20%	a)	Poor (Min Payout)	a)	Outstanding (Max payout)	a)	On Target
	Revenue		b)	— %	b)	120 %	b)	99.7 %
KPI 2		20%	a)	Poor (Min Payout)	a)	Outstanding (Max payout)	a)	Below Target
	OCF		b)	— %	b)	120 %	b)	97.0 %
KPI 3		20%	a)	Poor (Min Payout)	a)	Outstanding (Max payout)	a)	Above Target
	OCFF[1]		b)	— %	b)	120 %	b)	102.0 %
KPI 4		20 %	a)	Poor (Min Payout)	a)	Outstanding (Max payout)	a)	Above Target
	Voluntary Household Churn		b)	— %	b)	120 %	b)	110 %
KPI 5		10 %	a)	Poor (Min Payout)	a)	Outstanding (Max payout)	a)	Below Target
	Internet Net Adds		b)	— %	b)	120 %	b)	— %
KPI 6		10 %	a)	Poor (Min Payout)	a)	Outstanding (Max payout)	a)	Above Target
	Environment, Social, Governance		b)	— %	b)	120 %	b)	107 %
Total Pay-Out Rate								**92.5 %**

1 Effective with the release of our third quarter earnings, we have stopped using the term Operating Free Cash Flow and now use the term "Adjusted EBITDA less property & equipment additions". As we define the term, Adjusted EBITDA less property & equipment additions has the same meaning as Operating Free Cash Flow had previously, and therefore does not impact any previously reported amounts.

5. Comparison Annual remuneration and company performances

The table shows the annual evolution over the past five financial years of (i) the annual change in remuneration of the members of the SLT and (ii) the annual change in the performance of Telenet:

Year	Name	1. Fixed Remuneration		2. Variable Remuneration		3. Other Share based Remuneration (1)	4. Additional pension	5. Total Remuneration	6. Proportion of Fixed Remuneration	7. Adjusted EBITDA less property & equipment additions Performance Evolution (2)
		Base Salary	Other Benefits	One-Year Variable	Multi-Year Variable					
2022	John Porter - CEO	€630,000	€108,083	€850,314	€462,640	€1,896,599	€330,068	€4,277,704	69 %	€718
	SLT	€3,054,772	€167,796	€1,420,980	€734,834	€2,285,547	€323,409	€7,987,338	73 %	
2021	John Porter - CEO	€630,000	€35,121	€630,000	€515,108	€3,374,180	€308,379	€5,492,787	79 %	€825
	SLT	€2,591,476	€174,639	€1,088,735	€928,809	€3,996,324	€375,808	€9,155,792	78 %	
2020	John Porter - CEO	€630,000	€100,686	€675,990	€—	€3,680,137	€918,000	€6,004,813	89 %	€787
	SLT	€2,586,460	€167,653	€1,106,303	€—	€3,976,972	€344,037	€8,181,425	86 %	
2019	John Porter - CEO	€630,000	€114,597	€948,591	€3,588,018	€—	€—	€5,281,206	14 %	€821
	SLT	€2,989,070	€229,890	€1,707,048	€6,120,337	€—	€386,070	€11,432,415	32 %	
2018	John Porter - CEO	€630,000	€76,765	€938,385	€—	€—	€—	€1,645,150	43 %	€670
	SLT	€2,950,201	€228,519	€1,385,072	€1,190,463	€—	€377,657	€6,131,912	58 %	

(1) 2019 was the first year a Restricted shares plan was granted. The overall on target value of the long term incentives remained unchanged, but a shift happened from stock options to restricted shares. In 2020 the first batch of the 2019 restricted shares vested as well as additional Restricted shares under the dividend compensation mechanism to eliminate potential or alleged conflicts of interests for its SLT members.

(2) In million Euro. Effective with the release of our third quarter earnings, we have stopped using the term Operating Free Cash Flow and now use the term "Adjusted EBITDA less property & equipment additions". As we define the term, Adjusted EBITDA less property & equipment additions has the same meaning as Operating Free Cash Flow had previously, and therefore does not impact any previously reported amounts.

6. Comparative table with total Headcount

The table below shows the comparison of the annual remuneration, expressed in full-time equivalents, between the SLT and the employees of Telenet other than the directors and members of the SLT. Finally, the ratio between the highest remuneration of a member of the SLT and the lowest remuneration of an employee (in full-time equivalents) is presented:

	#	1. Fixed Remuneration		2. Variable Remuneration				3. Other Share Based Remuneration [3]		4. Total	5. Proportion of Fixed Remuneration (4)
			Base Salary		One Year Variable		Multi-year variable				
CEO	1/1	€	630,000	€	850,314	€	462,640	€	1,896,599	€ 3,839,553	66 %
SLT [5]	8.42/9	€	362,799	€	168,762	€	87,272	€	271,443	€ 890,276	71 %
LT [1]	42.93/46	€	155,185	€	35,521	€	12,495	€	46,548	€ 249,749	81 %
Employees [2]	3,184.69/3,403	€	58,768	€	5,282	€	147	€	801	€ 64,998	92 %

(1) Leadership team: these are the direct reports of the senior leadership team.
(2) Only employees are included who are eligible for annual variable remuneration. This does not include employees who are on a monthly, quarterly or semi-annual sales incentives plan with individual sales objectives.
(3) 274 employees hold vested restricted shares outside the CEO/SLT/LT population. The average was calculated over the full population for comparison reasons.
The multi-year variable was calculated in the same way for the category of employees.
(4) The shown proportion of Fixed Remuneration in this column is based on the previous columns in this table and is not based on the total remuneration as shown in table under chapter 1.
(5) Martine Tempels, member of the SLT until 31 May 2022 included, has been granted a severance fee of 178,193 EUR.
Patrick Vincent, member of the SLT until 31 December 2022 included, has been granted a severance fee of 834,000 EUR, next to 346,000 EUR as buyout amount for the non-compete agreement. His current LTI plans can vest until May 31, 2024.

The ratio between the CEO base salary and the lowest base salary within the above shown population is 20 on a full time equivalent (excl. the termination fees for P. Vincent).

7. Termination arrangements

Martine Tempels left Telenet on 31 May 2022.
Patrick Vincent left Telenet on 31 December 2022.
Consequently, the appointments of both members of the SLT were terminated in 2022.

8.8 Audit of the company

8.8.1 External audit by statutory auditors

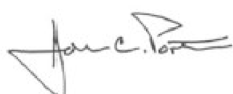
For details on the audit and non-audit fees paid to the auditor in the year ended December 31, 2022, we refer to note 5.31 to the consolidated financial statements of the Company.

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.

Mechelen, March 21, 2023

On behalf of the board of directors

John Porter Chief Executive Officer	Jo Van Biesbroeck Chairman
	

Telenet Group Holding NV

Consolidated financial statements

1. Consolidated statement of financial position

(€ in millions)	Note	December 31, 2022	December 31, 2021
Assets			
Non-current assets:			
Property and equipment	5.4	2,197.1	2,114.8
Goodwill	5.5	1,829.6	1,823.8
Other intangible assets	5.6	1,231.7	783.0
Deferred tax assets	5.15	190.0	169.0
Investments in and loans to equity accounted investees	5.7.1	46.3	117.6
Other investments	5.7.2	7.7	7.7
Derivative financial instruments	5.14	485.4	30.8
Other non-current assets	5.9.1	22.4	23.7
Total non-current assets		**6,010.2**	**5,070.4**
Current assets:			
Inventories	5.10	28.2	26.5
Trade receivables	5.8	190.3	174.3
Other current assets	5.9.2	170.3	135.7
Cash and cash equivalents	5.11	1,064.4	139.5
Derivative financial instruments	5.14	123.4	57.1
Total current assets		**1,576.6**	**533.1**
Total assets		**7,586.8**	**5,603.5**

(€ in millions)	Note	December 31, 2022	December 31, 2021
Equity and liabilities			
Equity:			
Share capital	5.12	12.8	12.8
Share premium		80.7	80.7
Other reserves		691.6	697.7
Retained loss		(1,308.4)	(2,148.1)
Remeasurements and translation reserve		(1.7)	(9.6)
Total equity attributable to owners of the Company		**(525.0)**	**(1,366.5)**
Non-controlling interests		20.4	3.4
Total equity		**(504.6)**	**(1,363.1)**
Non-current liabilities:			
Loans and borrowings	5.13	6,119.5	5,080.3
Derivative financial instruments	5.14	21.4	174.0
Deferred revenue	5.19	2.3	3.6
Deferred tax liabilities	5.15	201.1	111.7
Other non-current liabilities	5.16	61.1	83.3
Provisions	5.18.2	17.7	14.8
Total non-current liabilities		**6,423.1**	**5,467.7**
Current liabilities:			
Loans and borrowings	5.13	535.4	498.8
Trade payables		207.9	166.5
Accrued expenses and other current liabilities	5.18.1	464.6	400.6
Provisions	5.18.2	101.1	88.4
Deferred revenue	5.19	120.6	115.2
Derivative financial instruments	5.14	70.6	58.9
Current tax liability		168.1	170.5
Total current liabilities		**1,668.3**	**1,498.9**
Total liabilities		**8,091.4**	**6,966.6**
Total equity and liabilities		**7,586.8**	**5,603.5**

The notes are an integral part of these consolidated financial statements.

2. Consolidated statement of profit or loss and other comprehensive income

(€ in millions, except per share data)		For the year ended December 31,	
	Note	2022	2021
Profit for the period			
Revenue	5.19	2,665.0	2,595.8
Cost of services provided	5.20	(1,349.6)	(1,282.7)
Gross profit		**1,315.4**	**1,313.1**
Selling, general and administrative expenses	5.20	(739.9)	(713.9)
Operating profit		**575.5**	**599.2**
Finance income		690.7	308.4
Interest income, net foreign exchange gain and other finance income	5.21	3.6	1.6
Net gain on derivative finance instruments	5.14 & 5.21	687.1	306.7
Net gain on extinguishment of debt		—	0.1
Finance expense		(444.2)	(387.8)
Interest expense, net foreign exchange loss and other finance expense	5.21	(444.2)	(387.8)
Net finance expenses	**5.21**	**246.5**	**(79.4)**
Share in the result of equity accounted investees	5.7.1	(3.4)	(0.7)
Impairment of investments in and/or loans to equity accounted investees	5.7.1 & 5.24.2	(63.4)	(12.2)
Remeasurement to fair value of pre-existing interest in an acquiree	5.24.1	15.7	—
Gain on disposal of assets/liabilities related to a subsidiary or joint venture	5.4	371.7	—
Profit before income tax		**1,142.6**	**506.9**
Income tax expense	5.22	(145.6)	(113.3)
Profit for the period		**997.0**	**393.6**

(€ in millions, except per share data)		For the year ended December 31,	
	Note	2022	2021

Other comprehensive income (loss) for the period, net of income tax

Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability/(asset)	5.17	7.9	2.7
Equity-accounted investees - share of Other comprehensive income (loss)		0.5	—
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences		(0.8)	—
Other comprehensive income (loss) for the period, net of income tax		**7.6**	**2.7**
Total comprehensive income for the period		**1,004.6**	**396.3**
Profit (loss) attributable to:		**997.0**	**393.6**
Owners of the Company		997.6	394.0
Non-controlling interests		(0.6)	(0.4)
Total comprehensive income (loss) for the period, attributable to:		**1,004.6**	**396.3**
Owners of the Company		1,005.5	396.7
Non-controlling interests		(0.9)	(0.4)
Earnings per share			
Basic earnings per share in €	5.23	9.19	3.60
Diluted earnings per share in €	5.23	9.19	3.60

The notes are an integral part of these consolidated financial statements.

3. Consolidated statement of changes in shareholders' equity

Attributable to equity holders of the Company	Note	Number of shares	Share capital	Share premium	Share-based payment reserve	Legal reserve	Reserve for own shares	Other reserves	Retained losses	Remeasure ments	Translation reserves	Total	Non-controlling interest	Total equity
(€ in millions, except share data)														
December 31, 2021	**5.12**	**113,841,819**	**12.8**	**80.7**	**149.7**	**64.8**	**(202.1)**	**685.3**	**(2,148.1)**	**(9.6)**	**—**	**(1,366.5)**	**3.4**	**(1,363.1)**
Total comprehensive income for the period														
Profit for the period		—	—	—	—	—	—	—	997.6	—	—	997.6	(0.6)	997.0
Other comprehensive income [1]		—	—	—	—	—	—	—	—	8.5	(0.6)	7.9	(0.3)	7.6
Total comprehensive income for the period		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**997.6**	**8.5**	**(0.6)**	**1,005.5**	**(0.9)**	**1,004.6**
Transactions with owners, recorded directly in equity														
Contributions by and distributions to owners of the Company														
Recognition of share-based compensation	5.12	—	—	—	6.9	—	—	—	—	—	—	6.9	—	6.9
Own shares acquired	5.12	—	—	—	—	—	(21.9)	—	—	—	—	(21.9)	—	(21.9)
Own shares sold	5.12	—	—	—	—	—	8.9	—	(8.9)	—	—	—	—	—
Cancellation own shares	5.12	(1,731,819)	—	—	—	—	71.2	(71.2)	—	—	—	—	—	—
Dividend declared	5.12	—	—	—	—	—	—	—	(149.0)	—	—	(149.0)	—	(149.0)
Total contribution by and distributions to owners of the Company		**(1,731,819)**	**—**	**—**	**6.9**	**—**	**58.2**	**(71.2)**	**(157.9)**	**—**	**—**	**(164.0)**	**—**	**(164.0)**
Changes in ownership interests in subsidiaries														
Non-controlling interests on acquisition of subsidiary	5.24	—	—	—	—	—	—	—	—	—	—	—	17.2	17.2
Capital contributions by NCI		—	—	—	—	—	—	—	—	—	—	—	0.7	0.7
Total transactions with owners of the Company		**(1,731,819)**	**—**	**—**	**6.9**	**—**	**58.2**	**(71.2)**	**(157.9)**	**—**	**—**	**(164.0)**	**17.9**	**(146.1)**
December 31, 2022		**112,110,000**	**12.8**	**80.7**	**156.6**	**64.8**	**(143.9)**	**614.1**	**(1,308.4)**	**(1.1)**	**(0.6)**	**(525.0)**	**20.4**	**(504.6)**

[1] Remeasurements of defined benefit liabilities/(asset), net of income tax, equity-accounted investees - share of other comprehensive income (loss), net of income tax and foreign currency translation differences

Attributable to equity holders of the Company	Note	Number of shares	Share capital	Share premium	Share-based payment reserve	Legal Reserve	Reserve for own shares	Other reserves	Retained loss	Remeasurements	Total	Non-controlling Interest	Total equity
(€ in millions, except share data)													
December 31, 2020 as reported		113,841.819	12.8	80.7	135.6	64.8	(199.4)	685.3	(2,249.9)	(12.3)	(1,482.4)	28.4	(1,454)
Connectify PPA adjustment			—	—	—	—	—	—	—	—	—	0.2	0.2
January 1, 2021 restated*		113,841.819	12.8	80.7	135.6	64.8	(199.4)	685.3	(2,249.9)	(12.3)	(1,482.4)	28.6	(1,453.8)
Total comprehensive income for the period													
Profit for the period		—	—	—	—	—	—	—	394.0	—	394.0	(0.4)	393.6
Other comprehensive income [1]		—	—	—	—	—	—	—	—	2.7	2.7	—	2.7
Total comprehensive income for the period		**—**	**—**	**—**	**—**	**—**	**—**	**—**	**394.0**	**2.7**	**396.7**	**(0.4)**	**396.3**
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners of the Company													
Recognition of share-based compensation	5.12	—	—	—	14.1	—	—	—	—	—	14.1	—	14.1
Own shares acquired	5.12	—	—	—	—	—	(13.5)	—	—	—	(13.5)	—	(13.5)
Own shares sold	5.12	—	—	—	—	—	10.8	—	(10.8)	—	—	—	—
Dividend declared	5.12	—	—	—	—	—	—	—	(300.5)	—	(300.5)	—	(300.5)
Liquidation Telenet Tecteo Bidco NV and Telenet Finance BV		—	—	—	—	—	—	—	19.1	—	19.1	(24.9)	(5.8)
Total contribution by and distributions to owners of the Company		**—**	**—**	**—**	**14.1**	**—**	**(2.7)**	**—**	**(292.2)**	**—**	**(280.8)**	**(24.9)**	**(305.7)**
Changes in ownership interests in subsidiaries													
Capital contributions by NCI		—	—	—	—	—	—	—	—	—	—	0.1	0.1
Total transactions with owners of the Company		**—**	**—**	**—**	**14.1**	**—**	**(2.7)**	**—**	**(292.2)**	**—**	**(280.8)**	**(24.8)**	**(305.6)**
December 31, 2021		113,841,819	12.8	80.7	149.7	64.8	(202.1)	685.3	(2,148.1)	(9.6)	(1,366.5)	3.4	(1,363.1)

[1] Remeasurements of defined benefit liabilities/(asset), net of taxes, equity-accounted investees - share of other comprehensive income (loss), net of income tax

4. Consolidated statement of cash flows

(€ in millions)		For the year ended December 31,	
	Note	2022	2021

Cash flows provided by operating activities:

	Note	2022	2021
Profit for the period		997.0	393.6
Adjustments for:			
Depreciation, amortization, impairment and restructuring	5.20	781.7	731.1
Gain on disposal of property and equipment and other intangible assets	5.20	(8.8)	(4.8)
Income tax expense	5.22	145.6	113.3
Increase in allowance for bad debt	5.8	5.7	8.2
Loss (gain) on disposal of assets/liabilities related to a subsidiary or a joint venture	5.7.1 & 5.24.2	(371.7)	—
Interest income, net foreign exchange gain and other financial income	5.21	(3.6)	(1.6)
Interest expense, net foreign exchange loss and other finance expense	5.21	444.2	387.8
Net gain on derivative financial instruments	5.14 & 5.21	(687.1)	(306.7)
Loss (gain) on extinguishment of debt	5.21	—	(0.1)
Share in the result of equity accounted investees	5.7.1	3.4	0.7
Remeasurement to fair value of pre-existing interest in an acquiree	5.24.1	(15.7)	—
Impairment of investments in and/or loans to equity accounted investees	5.7.1	63.4	12.2
Share based payments	5.12 & 5.20	9.2	28.3
Change in:			
Trade receivables		(3.8)	6.3
Other assets		8.4	(6.2)
Deferred revenue		(0.3)	(7.5)
Trade payables		40.2	(8.4)
Other liabilities		25.4	(15.1)
Accrued expenses and other current liabilities		(33.1)	(36.7)
Interest paid		(221.0)	(169.3)
Interest received		0.3	—
Income taxes paid		(86.8)	(95.5)
Net cash provided by operating activities		**1,092.6**	**1,029.6**

(€ in millions)		For the year ended December 31,	
	Note	2022	2021

Cash flows used in investing activities:

	Note	2022	2021
Acquisitions of property and equipment		(295.9)	(277.1)
Acquisitions of intangibles		(225.2)	(202.0)
Acquisitions and disposals of and loans to equity accounted investees	5.7.1	(11.7)	(19.3)
Acquisitions of subsidiaries, net of cash acquired	5.24	2.7	(0.4)
Proceeds from sale of property and equipment and other intangibles	5.4	737.1	1.2
Other investing activities		(27.0)	—
Net cash used in investing activities		**180.0**	**(497.6)**

Cash flows used in financing activities:

	Note	2022	2021
Repayments of loans and borrowings	5.13	(436.6)	(419.3)
Proceeds from loans and borrowings	5.13	349.9	350.9
Payments of lease liabilities	5.13	(90.0)	(87.3)
Repurchase of own shares	5.12	(22.7)	(12.8)
Payments related to capital reductions and dividends	5.12	(149.0)	(306.2)
Proceeds from capital transactions with equity participants		0.7	0.2
Net cash used in financing activities	**5.13.4**	**(347.7)**	**(474.5)**
Net increase (decrease) in cash and cash equivalents		**924.9**	**57.5**
Cash and cash equivalents:			
at January 1	5.11	139.5	82.0
at December 31	5.11	1,064.4	139.5

The notes are an integral part of these consolidated financial statements.

5. Notes to the consolidated financial statements for the year ended December 31, 2022

5.1 Reporting entity and basis of preparation

5.1.1 Reporting entity

The accompanying consolidated financial statements present the operations of Telenet Group Holding NV, its subsidiaries and other consolidated companies (hereafter collectively referred to as the "**Company**" or "**Telenet**"). Through its broadband network, the Company offers basic and enhanced video services, including pay television services, broadband internet and fixed-line telephony services to residential subscribers in Flanders and certain communes in Brussels as well as broadband internet, data and voice services in the business market throughout Belgium and parts of Luxembourg. The Company also offers mobile telephony services through its mobile network.

Telenet Group Holding NV and its principal operating subsidiaries are limited liability companies organized under Belgian law. Subsidiaries and structured financing entities ("SEs") have been incorporated in Luxembourg in order to structure the Company's financing operations.

5.1.2 Basis of preparation

In accordance with the EU Regulation 1606/2002 of July 19, 2002, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("EU") ("EU IFRS"). The financial statements have been prepared on the historical cost basis, except for, amongst others, financial instruments and the net assets acquired in a business combination, which are measured at fair value. The methods used to measure fair values are discussed further in note 5.3.6. The principal accounting policies are set out in section 5.2 below.

5.1.3 Functional and presentation currency

These consolidated financial statements are presented in euro ("€"), which is the Company's functional currency, rounded to the nearest hundred thousand (€0.1 million) except when indicated otherwise.

5.1.4 Use of estimates and judgments

The preparation of financial statements in accordance with EU IFRS requires the use of certain critical accounting estimates and management judgment in the process of applying the Company's accounting policies that affects the reported amounts of assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the following notes:

- note 5.3.6: Financial instruments: fair values
- note 5.4: Property and equipment - determination of useful lives
- note 5.5: Impairment testing of goodwill
- note 5.6: Other intangible assets - determination of useful lives

- note 5.7.1: Investments in and loans to equity accounted investees - determination of fair value of the underlying assets and liabilities
- note 5.7.1.: Investments in and loans to equity accounted investees - impairment testing
- note 5.8: Trade receivables - determination of loss allowances for expected credit losses on doubtful debtors
- note 5.14: Derivative financial instruments: fair values
- note 5.15: Deferred taxes - purchase price allocation upon acquisitions and recognition of deferred tax assets for tax loss carry forwards
- note 5.16: Other non-current liabilities - determination of employment benefit obligations
- note 5.17: Employee benefit plans - actuarial assumptions regarding measurement of defined benefit obligations
- note 5.18.2: Provisions - determination of site restoration provision
- note 5.18.2: Provisions - determination of obligations resulting from legal claims, subject to the future outcome of litigation in progress
- note 5.24: Acquisition of subsidiary - Purchase price allocation
- note 5.29: Leases - Lease term / extension options

Telenet's management made additional significant judgments in its consolidated financial statements for the twelve months ended December 31, 2022, related to its accounting, for:

- the sale of its passive mobile infrastructure to DigitalBridge Investments LLC, and
- the subsequent leaseback of its passive mobile infrastructure from Belgium Tower Partners NV (see Note 5.4).

Such major judgements and estimates include:

- The Company's determination of the minimum lease term is based on its judgement that at the lease inception date, it was not reasonably certain that the Company will exercise any of the available renewal options. The Company will reassess this judgement in future periods depending on the circumstances at that time.
- The Company's determination of the discount rate is based on (i) its judgement that the discount rate implicit in the lease cannot be readily determined, as well as (ii) its estimates for, amongst other things, a reference rate based on the country, currency and lease term, and financing spread adjustments based on the credit profile and the asset rating of the borrowing entity.
- The Company's estimate of the fair value of the passive mobile network infrastructure is based on, amongst other things, the total consideration paid by DigitalBridge Investments LLC pursuant to the Sale and Purchase Agreement, as well as the Company's assessment that no significant part of this consideration is attributable to elements of the overall transaction other than the passive mobile network infrastructure.
- In its assessment, the Company identified the various lease and non-lease components and allocated the total amounts of the minimum lease payments over these lease and non-lease components by reference to the respective fair values of each of the components.

A number of the Company's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or liability, the Company uses market observable data to the extent available.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the fair value techniques, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For further information about the assumptions made in measuring fair values we refer to:

- note 5.3.6 Financial Instruments: fair values
- note 5.12.2 Employee share based compensation, and
- note 5.24 Acquisition and disposal of subsidiaries.

5.1.5 Going Concern

The consolidated financial statements as of December 31, 2022 show a negative consolidated equity amounting to €504.6 million, mainly as a result of the Company's historical shareholder disbursements policy, including various capital reductions.

The Company considers its most optimal equity structure on a consolidated level, based on a certain net leverage range as described in note 5.3.5, even in case of a negative equity on a consolidated level.

The board of directors has considered the Company's net equity position and has prepared the consolidated financial statements applying the accounting policies consistently on a going concern basis taking into account the following, amongst others:

- the forecasted earnings for the next years;
- a projected steadily strong positive cash flow notwithstanding intended major investments in its network;
- maturities of financial obligations as disclosed in note 5.3.3.

5.1.6 Reporting changes

There were no reporting changes for the year ended December 31, 2022.

5.1.7 Approval by board of directors

These consolidated financial statements were authorized for issue by the board of directors on March 21, 2023.

5.2 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

No changes to the significant accounting policies have been made, except as explained in note 5.2.19, which addresses new standards, interpretations, amendments and improvements.

5.2.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Company. The consolidated financial statements include the accounts of Telenet Group Holding NV and all of the entities that it directly or indirectly controls. Intercompany balances and transactions, and any income and expenses arising from intercompany transactions, are eliminated in preparing the consolidated financial statements.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a negative balance.

Structured Entities

The Company has established structured entities ("SEs") for financing purposes. The Company does not have any direct or indirect shareholdings in these entities. An SE is consolidated if, based on an evaluation of the substance of its relationship with the Company and the SE's risks and rewards, the Company concludes that it controls the SE.

Associates and joint ventures

The Company's interest in equity-accounted investees comprises interests in associates and joint ventures.

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Company has joint control, whereby the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method and are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share of the profit or loss and other comprehensive income of the equity-accounted investees, until the date on which significant influence or joint control ceases.

Upon contribution of a subsidiary into a joint venture, the Company recognizes any resulting gain or loss in full in profit or loss at the moment control over the subsidiary is lost, i.e. no elimination is made for a continuing interest in the assets and liabilities contributed.

Business combination achieved in stages

In a step acquisition, or business combination achieved in stages, the fair value of any non-controlling equity interest in the acquiree - held immediately before obtaining control - is used in the determination of goodwill. It is remeasured to fair value at the date of acquisition with any resulting gain or loss recognized in either profit or loss or OCI.

5.2.2 Segment Reporting

Operating segments are the individual operations of a company that the chief operating decision maker ("CODM") reviews regularly in allocating resources to these segments and in assessing segment performance. Telenet's segment reporting is presented based on how Telenet's internal financial information is organized and reported to the CEO, who is Telenet's CODM, the Senior Leadership Team ("SLT") and the board of directors.

The CEO, the SLT and the board of directors of Telenet manage the Company's telecommunication business, inclusive of the recent acquisition of the Caviar group, as a single operation, driven by the Company's fixed and mobile convergence strategy for both the residential and business markets which is demonstrated in the Company's all-in offer called "ONE". They assess the Company's performance and make resource allocation decisions based on an overall Profit and Loss Statement. The Profit and Loss Statement is analyzed at least on a monthly basis with only revenue and direct costs allocated to separate product and service lines. The primary measure of profit within the Profit and Loss Statement used by the CODM to assess performance is Adjusted EBITDA, and the Profit and Loss Statement does not present Adjusted EBITDA for separate product and service lines. Notwithstanding that revenue and direct costs are allocated to the separate product and service lines, as a differentiated Profit and Loss Statement is not used by the CODM to manage Telenet's operations, assess performance or make resource allocation decisions, Telenet has determined that its operations constitute one single segment.

For an overview of the Company's revenue by major category, we refer to note 5.19. The table below summarizes the Company's:

- revenues for the year ended December 31, 2022 and 2021 from external customers earned in the Company's country of domicile and in foreign countries; and

- non-current assets, other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts, located in the Company's country of domicile and in foreign countries, as of December 31, 2022 and 2021.

	December 31, 2022			December 31, 2021		
(€ in millions)	Belgium	Foreign countries	TOTAL	Belgium	Foreign countries	TOTAL
Property & equipment	2,194.3	2.8	2,197.1	2,114.8	—	2,114.8
Intangible assets	1,231.7	—	1,231.7	783.0	—	783.0
Total fixed assets	**3,426.0**	**2.8**	**3,428.8**	**2,897.8**	**—**	**2,897.8**

	For the year ended December 31, 2022			For the year ended December 31, 2021		
(€ in millions)	Belgium	Foreign countries	TOTAL	Belgium	Foreign countries	TOTAL
Total revenue	**2,640.6**	**24.4**	**2,665.0**	**2,595.8**	**—**	**2,595.8**

The increase in the revenues in foreign countries is entirely due to the the business of the Caviar Group that was acquired as from October 3, 2022 onwards. For detailed information, we refer to Note 5.24.1.

For the years ended December 31, 2022 and December 31, 2021, no single third party customer accounted for 10% or more of the Company's total revenues.

5.2.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. When components of an item of property and equipment have different useful lives, they are accounted for as separate components of property and equipment. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Depreciation is recognized in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each component of property and equipment.

The following useful lives are used for the depreciation of property and equipment:

- Buildings and improvements: 10-33 years
- Network: 4-30 years
- Furniture, equipment and vehicles: 2-10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Government grants related to assets are recorded as a deduction from the cost in arriving at the carrying amount of the asset. The grant is recognized in the income statement over the life of a depreciable asset as a reduction of depreciation expense.

The Company includes borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.

The cost of replacing a component of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company and its cost can be measured

reliably. The carrying amount of the replaced component is derecognized. The costs of repairs and maintenance of property and equipment are recognized in the consolidated statement of profit or loss and other comprehensive income as incurred.

The fair value of property and equipment recognized as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction. The market price of items of equipment is based on the quoted market prices for similar items.

It is the Company's policy to remove an asset's gross cost and accumulated depreciation at the end of an asset's useful life if the asset is no longer used by the Company, except when the asset is classified as held for sale.

5.2.4 Intangible assets

Intangible assets with finite useful lives are measured at cost and are amortized on a straight-line basis over their estimated useful lives as follows:

- Network user rights: Life of the contractual right
- Trade name: 10 to 20 years
- Customer relationships and supply contracts: 5 to 10 years
- Broadcasting rights: Life of the contractual right
- Software development costs: 3 to 4 years
- Out of market component on future lease obligations acquired as part of a business combination: Term of the lease agreement

Amortization methods, useful lives and residual values are reviewed at each reporting date and are adjusted if appropriate.

Costs associated with maintaining computer software are recognized as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Company, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets.

Capitalized internal-use software costs include only external direct costs of materials and services consumed in developing or obtaining the software and payroll and payroll-related costs for employees who are directly associated with and who devote time to the project. Capitalization of these costs ceases no later than the point at which the project is substantially complete and ready for its intended purpose. Internally-generated intangible assets are amortized on a straight-line basis over their useful lives. Where no internally-generated intangible asset can be recognized, development expenditure is recognized as an expense in the period in which it is incurred.

If a Cloud Computing Arrangement ("CCA") qualifies as a service contract, the configuration or customization costs are expensed when the service is received, unless

- the underlying asset would give rise to an intangible asset in which case IAS 38 (accounting for intangible assets) should still apply, or
- the nature of the services rendered is 'not distinct', therefore indistinguishable from the service of receiving access to the software and consequently the implementation costs can be deferred over the contract term.

Broadcasting rights are capitalized as an intangible asset when the value of the contract is measurable upon signing. Broadcasting rights with respect to movies are amortized on a straight-line basis over the license period. For broadcasting rights with respect to movies and programs for linear broadcasting on the Company's public TV channels, amortization is based on the actual number of runs to reflect the pattern of consumption of the economic benefits embodied in the content rights. Broadcasting rights with respect to sports contracts are amortized on a straight-line basis over the sports season.

The mobile spectrum rights acquired under the 2022 spectrum auction procedures for the (new) 5G spectrum (700 MHz and 3.600 MHz bands) and the existing 2G and 3G spectrum (900 MHz, 1.800 MHz and 2.100 MHz bands) meet the definition and recognition

criteria of intangible assets under IAS 38 Intangible Assets. The Company determined the acquisition cost of the respective intangible assets as follows:

- for the "unique fee" component: an amount equal to the cash price equivalent of the yearly installments; and
- for the "annual fee" component: the net present value of the estimated annual fees payable, discounted using a credit-adjusted risk-free interest rate.

The annual fees are variable payments that depend on an index and are initially included in the liability using the index as at the commencement date without estimation of future inflation. Subsequently, the liability is remeasured when a change in the cash flow occurs, i.e. when the adjustment to the payments take effect and is recorded against the corresponding asset. The liability is remeasured applying the discount rate used at the initial recognition.

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated brands, is recognized in the statement of profit or loss and other comprehensive income as incurred.

The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows.

The fair value of trade names acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the trade name being owned.

The fair value of mobile spectrum licenses acquired in a business combination is based on the market approach, using the price quote of the most recent relevant spectrum license auctions.

The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

It is the Company's policy to remove an asset's gross cost and accumulated amortization at the end of an asset's useful life if the asset is no longer used by the Company, except when the asset is classified as held for sale.

5.2.5 Impairment of financial and non-financial assets

Financial assets

The Company recognizes loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortized cost;
- debt investments measured at fair value through other comprehensive income ("OCI") ("FVOCI");
- contract assets

The Company measures loss allowances for its trade receivables, unbilled revenue and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive.

ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer ;
- a breach of contract such as a default or being more than 90 days due ;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise ;
- it is probable that the borrower will enter bankruptcy or other financial reorganization ; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Company's interest in equity-accounted investees are assessed at each reporting date to determine whether there is objective evidence of impairment in line with IAS 28.

Objective evidence of impairment includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with IAS 36. An impairment loss is recognized in profit or loss, and is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit or loss and other comprehensive income. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit or group of units on a pro rata basis.

In respect of assets other than goodwill, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.2.6 Acquisition accounting and goodwill

The Company accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Company. In determining whether a particular set of activities and assets is a business, the company assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Company has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Company measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognized amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment. The cost of an investment in an equity-accounted investee comprises the purchase price and other costs directly attributable to the acquisition of the investment.

Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill is tested for impairment annually, or more frequently when there is an indication that it may be impaired. Goodwill arising in a business combination is allocated to the acquirer's cash generating units that are expected to benefit from the synergies of the business combination in which goodwill arose. This is irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If the recoverable amount of the cash-generating unit is less than the carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets pro-rata on the basis of the carrying amount of each asset. An impairment loss recognized for goodwill will not be reversed in a subsequent period.

Costs that the Company incurs in connection with a business combination, other than those associated with the issue of debt or equity securities, are expensed as incurred.

5.2.7 Foreign currency transactions

Foreign currency translation

The Company's functional and presentation currency is the euro, which is also the functional currency of each of the Company's subsidiaries. Transactions in currencies other than the euro are translated at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Gains and losses arising on translation are included in profit or loss for the period.

Foreign operations

With respect to the income and expenses, as well as to the financial position of entities with a functional currency other than Euro:

- assets and liabilities are translated at the spot exchange rate at the reporting date,
- items of income and expense are translated at the exchange rates at the dates of the relevant transactions,

- non-controlling interests are translated at exchange rates at the date of the transaction,
- the resulting exchange differences are recognized in OCI and presented within the translation reserve, except to the extent that the translation difference is allocated to NCI, and
- cash flows are translated at the exchange rates at the dates of the relevant transactions.

5.2.8 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise cash and cash equivalents, trade and other receivables, loans and borrowings, trade and other payables, and investments and loans to equity accounted investees.

Cash and cash equivalents

Cash and cash equivalents consist principally of cash at bank and money market funds with remaining maturities at acquisition of three months or less. Except for money market funds, which are recognized at fair value with changes through the statement of profit or loss and other comprehensive income, cash and cash equivalents are carried at amortized cost using the effective interest rate method, less any impairment losses.

The carrying amounts of cash and cash equivalents approximate fair value because of the short maturity of those instruments.

Trade receivables

Trade receivables do not carry any interest and are stated at their amortized cost less any allowance for doubtful amounts.

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Loans and borrowings

Interest-bearing bank loans are recorded at the proceeds received, net of direct issuance costs. Finance charges, including premiums payable on settlement or redemption and direct issuance costs, are accounted for on an accrual basis using the effective interest method and are recorded as a component of the related debt to the extent that they are not settled in the period in which they arise.

The Company initially recognizes debt securities issued on the date that they are originated. Such liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest rate method.

Deferred financing fees related to undrawn facilities are recognized as other non-current assets if it is probable that the facility will be drawn down.

In case of a modification or exchange of a debt instrument, a substantial modification is accounted for as an extinguishment. In order to determine if a modification is substantial, the Company compares the present value of the remaining cash flows of the old debt instrument to the present value of the cash flows on the modified instrument (including principal, interest, and other amounts paid to or received from the creditors). If the difference between these present values is greater than 10%, then the modification is deemed substantial. In such case, the associated unamortized deferred financing fees related to the old debt instrument are expensed as a loss on extinguishment of debt. If the outcome of the quantitative assessment shows a difference of less than 10%, a qualitative assessment is performed to determine whether the terms of the two instruments are not substantially different. If the exchange is not a substantial modification, then the remaining unamortized deferred financing fees of the old debt remain and are amortized over the term of the corresponding new debts, using the effective interest method. The modification or exchange of a debt instrument resulting in a new debt denominated in another currency is treated as a substantial modification.

Trade payables

Trade payables are not interest bearing and are stated at amortized cost. The carrying amounts of trade payables approximate fair value because of the short maturity of those instruments.

With certain suppliers a vendor financing program is entered into with a financial institution. Under such program, suppliers entering the system are paid by the bank earlier than their regular payment terms at a discount or at their regular payment terms without a discount while Telenet only has to pay the bank after 360 days. Consequently, the vendor financing liabilities are accounted for as current portion of loans and borrowings (note 5.13) on the balance sheet. With respect to the classification of vendor financing in the Company's consolidated statement of cash flows, the Company records:

- for operational expense related invoices ("OPEX"): the cash outflows from operations and a corresponding cash inflow in financing activities when the expenses are incurred. When the Company pays the bank, the Company records financing cash outflows;
- for capital expense related invoices ("CAPEX"): cash used in financing activities upon payment of the short term debt by the Company to the bank after 360 days.

Derivative financial instruments

The Company's activities are exposed to changes in foreign currency exchange rates and interest rates.

The Company seeks to reduce its exposure through the use of certain derivative financial instruments in order to manage its exposure to exchange rate and interest rate fluctuations arising from its operations and funding.

The use of derivatives is governed by the Company's policies approved by the board of directors, which provides written principles on the use of derivatives consistent with the Company's risk management strategy.

Derivatives are measured at fair value. The Company does not apply hedge accounting to its derivative instruments. Accordingly, changes in the fair values of derivative instruments are recognized immediately in the statement of profit or loss and other comprehensive income.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value through the statement of profit or loss and other comprehensive income.

For cross currency and interest rate derivative contracts that are terminated prior to maturity, the cash paid or received upon termination that relates to future periods is classified as a financing activity in the consolidated statement of cash flows.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are presented in the reserve for own shares. When own shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

5.2.9 Revenue recognition

Subscription fees for telephony, internet and premium cable television are prepaid by subscribers on a monthly basis and recognized in revenue as the related services are provided, i.e. in the subsequent month. Subscription fees for analog cable television are prepaid by subscribers predominantly on an annual basis and recognized in revenue on a straight-line basis over the following twelve months. Revenue from usage based premium television, mobile and fixed telephone and internet activity is recognized on actual usage.

Upfront installation fees and other fees charged to customers are not considered to have stand-alone value, and revenue from these upfront fees is generally deferred and recognized as revenue over the contractual period, or longer if the upfront fee results in a material renewal right.

Together with subscription fees, basic cable television subscribers are charged a copyright fee for the content received from public broadcasters that is broadcasted over the Company's network. These fees contribute to the cost the Company bears in respect of copyright fees paid to copyright collecting agencies for certain content provided by the public broadcasters and other copyright holders. The Company reports copyright fees collected from cable subscribers on a gross basis as a component of revenue due to the fact that the Company is acting as a principal in the arrangement between the public broadcaster and other copyright holders which does not represent a pass-through arrangement. Indeed, the Company bears substantial risk in setting the level of copyright fees charged to subscribers as well as in collecting such fees as such is determined that the Company controls the relating service before it is transferred to the customer.

With respect to multiple element arrangements, the revenue is generally recognized based on delivery of goods and/or services and whereby the transaction price is allocated to each performance obligation based on the stand-alone selling prices.

Revenue from prepaid mobile phone cards is recognized at face value as deferred income at the time of sale and recognized in revenue upon usage of the call value.

Revenue from termination fees is recognized at the time of the contract cancellation, if and only if, collectibility of the fee is reasonably assured. If collectibility of the termination fee is not reasonably assured at the time of billing, revenue is deferred until cash is received.

Customers may be charged a downgrade fee when they switch to a lower tier service. Generally, the downgrade is not considered to be distinct and downgrade fees are therefore deemed to be part of the overall consideration for the ongoing service. Revenue from downgrade fees is recognized on a straight-line basis over the longer period of (i) the related subscription contract or (ii) the expected remaining length of the customer relationship.

Digital television customers may rent a set-top box from Telenet. When customers elect to change the type of set-top box that they rent from Telenet, they may be charged a swap fee. The swap to a different type of set-top box is not considered to be distinct to the customer and revenue from swap fees is recognized on a straight-line basis over the shorter period of (i) the expected remaining length of the customer relationship or (ii) the useful life of the set-top box.

Amounts billed for certain premium voice and SMS content are not presented as revenues but are netted against the corresponding expenses, because Telenet carries no legal responsibilities for the collection of these services and acts solely on behalf of the third-party content providers.

Revenue from mobile handset sales transactions, for which the customer entered into a consumer credit agreement with the Company and for which distinct service and payment obligations are applicable from those related to an airtime service contract, is recognized at the time of the sale of the handset as the customer takes full legal title to the handset. This revenue is recognized upon the sale of the handset, if and only if, collectibility of all monthly payments is reasonably assured.

Wholesale revenue earned under MVNO agreements is billed on a monthly basis and recognized in accordance with the usage of the services provided in accordance with the specifications as contractually agreed upon.

Interconnection revenue paid by other telecommunication operators for use of Telenet's network, as well as roaming revenue resulting from receiving or making calls abroad is recognized upon usage.

Revenue from reminder fees are considered to represent a distinct revenue stream and are therefore recognized as revenue.

Through its content production entities, the Company generates revenue from:

- Branded content (e.g. advertising)
- Scripted content (i.e. fiction) (e.g. movies and series)
- Non-scripted content (e.g. quiz shows and reality TV series)

The Company recognizes revenue applying the percentage of completion method for film projects and TV series as well as for advertising productions. For films and television series where the Company acts as the main film producer and where it retains the significant intellectual property rights of the film, the revenue is recognized when the significant risks and benefits related to the ownership rights are transferred on the basis of a sale or license granted and the "Answer Print "was delivered to a third party.

Advertising revenue (on television and online) is recognized over time based on the percentage of consumption. The percentage of consumption is determined by the number appearances purchased against the number of appearances consumed or linearly over the period in which the appearances will take place if the publication dates have not been determined in advance. Revenue is recognized net of commissions paid to media agencies.

Revenue from barter transactions (advertisement, in-kind or sponsorship) are recognized at their fair value of the advertisement delivered by the Company to the other party as the fair value of the goods and/or services received cannot be determined on a reasonable basis.

5.2.10 Operating expenses

Operating expenses consist of interconnection and roaming costs, network operations, maintenance and repair costs and cable programming costs, including employee costs and related depreciation and amortization charges. The Company capitalizes most of its installation costs, including direct labor costs. Copyright and license fees paid to the holders of those rights and their agents are the primary component of the Company's cable programming costs. Other direct costs include costs that the Company incurs in connection with providing its residential and business services, such as interconnection charges and bad debt expense. Network costs consist of costs associated with operating, maintaining and repairing the Company's broadband network and customer care costs necessary to maintain its customer base.

Certain municipalities and provinces levy local taxes on an annual basis on masts, pylons and antennas. These taxes do not qualify as income taxes and are recorded as operational taxes. Given the uncertainties surrounding the lawfulness, the Company continues to account for these as a risk in accordance with IAS 37. As the levy is triggered based on the pylons at the beginning of each fiscal year, a liability and the related expense are recognized in accordance with IFRIC 21 at the beginning of each year. Interest charges related to the non-payment of these taxes are recognized and recorded on a monthly basis.

5.2.11 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and the amount can be reliably measured. Provisions are measured at the Company's best estimate of the expenditure required to settle its liability and are discounted to present value where the effect is material.

A provision for restructuring is recognized when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced to those affected. Future operating losses are not provided for.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting its obligations under the contract. The provision is measured at the lowest value of either the present value of the expected cost of terminating the contract or the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

The obligation related to dismantling network sites is recognized as a tangible asset and a corresponding liability which is measured by using appropriate inflation and discount rates.

5.2.12 Leases

At inception of a contract, the Company assesses whether a contract is, or contains a lease. The Company makes a distinction between (i) a service contract and (ii) a lease based on whether the contract conveys the right to control the use of an identified asset, and accounts for these components separately.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
    - the Company has the right to operate the asset, or
    - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

i. Leases in which the Company is a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date, for:

- leases of Canon network
- leases of passive mobile infrastructure and sites
- leases of real estate
- leases of cars
- leases of dark fiber

Site rentals comprise of a right to use a third party's property on which the Company builds its pylons and mobile related equipment. Site sharing consists of Telenet's mobile related equipment placed on pylons that are property of other operators. The Company receives in exchange for the periodic consideration a specific and dedicated place on the pylon in question. In both cases, we determined that it consists of specified assets of which the Company obtains substantially all of the economic benefits and has the right to direct the use and consequently, corresponding right-of-use assets and lease liabilities have been recognized.

With respect to arrangements regarding network equipment, the Company determined that for dark fiber arrangements, an identified asset exists as the specific strand is physically distinct and identified in the contract, for which the Company obtains substantially all of the economic benefits and has the right to direct the use of the identified asset. As a result dark fiber leases satisfy the definition of a lease. Lit fiber arrangements consist of a set amount of capacity provided but do not identify any individual fiber strands and correspondingly do not meet the definition of an identified asset and thus are not considered to be a lease. For duct arrangements in which we do not have exclusive access, the arrangements do not consist of a lease.

The Company assesses the applicable lease term and whether any options to extend the lease term are to be considered 'reasonably certain' to be exercised or not. Specifically for the site rentals, the Company has determined that the extension options are not 'reasonably certain' to be exercised and consequently, these are not taken into account in the determination of the lease term. The Company reassesses the lease term in response to changes in market conditions and circumstances.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, including direct expenses, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those for property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, excluding non-lease components and variable lease payments. This lease liability is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

In determining its incremental borrowing rate, the company determines and applies the:

- reference rate;
- financing spread adjustment; and
- lease specific adjustment.

The reference rate is based on local currency, the euro, and the lease term and is determined based on market standard rates for a collateralized borrowing from Bloomberg for the following ranges:

- less than 1 year
- 1 year to less than 3 years

- 3 years to less than 5 years
- 5 years to less than 10 years
- 10 years to less than 20 years
- 20 years or greater

This reference rate is refreshed on a monthly basis. The key factors determining the financing spread adjustment to the reference rate are the credit profile and the asset rating of the Company. The credit rating of the Company is provided by Moody's. The reference rate is adjusted to reflect the purchase of an asset and is not deemed uncollateralized. With respect to the adjustment for the specific asset-type of the underlying collateral, IFRS 16 does not specify what type of asset must be used, only that the asset must be of similar value to the right-of-use asset and as such, the Company determined that a lease specific adjustment is not necessary. Based on the asset rating discussion above, we have factored in that the rating is on a collateralized basis.

The Company applies a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment). As the Company's incremental borrowing rate is determined by range of lease term, adjusted for the credit and asset ratings, on a monthly basis, this leads to homogeneous portfolios in which the discount rate would not materially differ from applying a lease-by-lease approach.

The Company elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Changes in the contractual terms and conditions that increase the scope of the lease at stand-alone prices, are considered modifications that create a separate lease. Temporary extensions of existing leases that came to maturity date and which have not yet been replaced by new long-term agreements are lease modifications that do not increase the scope of the lease and consequently are not separate leases at the effective date of the modification. Therefore, the lease liability is remeasured with a corresponding adjustment to the right of use asset.

With respect to the sale of the Company’s passive mobile network infrastructure and subsequent leaseback, the Company determined that:

- the control of the underlying assets was transferred the buyer-lessor,
- the conditional buy-back options for the Company as foreseen in the Master Lease Agreement and of which the triggering events are outside of the Company’s control, are considered non-substantive,
- it is highly improbable that the Company will exercise the option based on the relevant economic factors, and
- the repurchase price is at fair value,

and consequently the transaction qualified as a sale under IFRS 15 Revenue from Contracts with Customers.

As the transaction qualified for sale accounting, the Company derecognized the underlying asset and applied the lessee accounting model to the leaseback. The Company measured the right-of-use asset at the retained portion of the previous carrying amount (at cost). It recognized only the amount of any gain or loss related to the rights transferred to the buyer-lessor.

With respect to certain specific transactions, the Company (acting as ‘seller-lessee’) transfers an asset to another entity (‘buyer-lessor’) which is subsequently leased back by the Company. In accordance with IFRS 15, the Company determined that it does not satisfy a performance obligation as the control of the underlying asset to the buyer-lessor is not transferred. As a result, these transactions are accounted for as a financing transaction.

ii. Leases in which the Company is a lessor

At lease inception, the Company determines whether each lease is a finance lease or an operating lease. With respect to this classification, the Company makes an assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. It this is the case, the lease is a finance lease; if not, it is an operating lease.

Site sharing agreements in which other operators use the pylons that are the property of Telenet, contain a lease and are determined to be operating leases. As a result, the Company does not derecognize the underlying asset. Future contractual rental payments from the lessee are recognized as income and receivables over the lease term as the payments become receivable.

With respect to customer premise equipment ("CPE"), a.o. the set-top boxes and modems offered to residential customers, the Company concluded that the contracts do not contain a lease as the customer (i) does not receive substantially all of the economic benefits of the asset, and (ii) does not clearly direct the use of the CPE. As a result the right to control the use is not conveyed.

Certain customized equipment offerings to business customers qualify as manufacturer or dealer leases. With respect to these finance leases, the Company recognizes (i) revenue, (ii) cost of sales, and (iii) selling profit upon lease commencement in correspondence with its policy for outright sales. At the lease commencement date, the Company recognizes assets held under finance lease as a receivable at an amount equal to the net investment in the lease.

5.2.13 Income taxes

Income tax expense comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable profit, and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of other assets and liabilities in a transaction that is not a business combination and that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognized for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Current and deferred tax is charged or credited to the statement of profit or loss and other comprehensive income, except when it relates to items charged or credited directly to equity, in which case the current or deferred tax is also dealt with in equity.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities. Such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

5.2.14 Employee benefits

Pension and other post-employment benefit obligations

The Company provides both defined benefit and defined contribution plans to its employees, directors and certain members of management.

For defined contribution plans, the Company pays fixed contributions into a separate entity. The Company has no obligation to pay further amounts in case the plan assets are insufficient to pay all employee benefits relating to current and prior service. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

As a result of minimum guaranteed rates of return imposed by law, there is a risk that the Company has to pay additional contributions. Therefore, the Belgian defined contribution plans classify as defined benefit plans.

A defined benefit plan is a post-employment benefit plan that is not a defined contribution plan. For defined benefit pension plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The discount rate is based on the yield at the reporting date on high quality corporate bonds (average yield on AA corporate bonds in euro, benchmarked against the iBoxx € AA Corporates index) taking into account the duration of the Company's obligations.

For the defined contribution plans subject to minimum guaranteed rates of return, the defined benefit obligation is based on the higher of the contributions increased by the minimum guaranteed rates of return and the actual accumulated reserves (plans funded through a pension fund) or the paid-up insured benefits (insured plans). For plans whereby the contributions increase by age, the prospective benefits are attributed on a straight line basis over the employee's career.

The net defined benefit liability/(asset) recognized in the balance sheet corresponds to the difference between the defined benefit obligation and the fair value of the plan assets. In case of a surplus, the net defined benefit (asset) is limited to the present value of future economic benefits available in the form of a reduction in contributions or a cash refund.

For insured plans, the fair value of the insurance policies is based on the insurance reserves.

Remeasurements of the net defined benefit liability/(asset), which comprise actuarial gains and losses on the defined benefit obligation, the return on plan assets (excluding interest income) and changes in the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI.

The Company determines the net interest expense (income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense is recognized in profit or loss.

Past service cost resulting from plan amendments or curtailments is recognized immediately in profit or loss.

The Company also provides post-retirement health care benefits to certain employees. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that for defined benefit pension plans.

Other long term employee benefit obligations

The Company provides long term service awards to its employees. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that for defined benefit plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognized immediately in profit or loss.

Share-based payments

The Company issues equity-settled share-based payments to certain employees which are measured at fair value at the date of grant. The grant date fair value of options granted to employees is calculated using a Black-Scholes pricing model and recognized

as share-based payments expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations. Measurement inputs for the Black-Scholes model include share price on measurement date, exercise price of the instrument, expected volatility, weighted average expected life of the instruments, expected dividends and the risk-free interest rate.

At each balance sheet date, the Company revises its estimates of the number of options that are expected to become exercisable. It recognizes the cumulative impact of the revision of original estimates, if any, in the statement of profit or loss and other comprehensive income, and a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Cash-settled share-based payments are measured at fair value and recognized as share-based payments expense, with a corresponding increase in long term and short term other liabilities, over the period that the employees become unconditionally entitled to the options.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

5.2.15 Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of inventories is based on the first-in first-out principle, and includes expenditures incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

5.2.16 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise warrants and options granted to employees and the CEO as disclosed in note 5.23.2.

5.2.17 Finance income and expenses

Finance income mainly comprises interest income on funds invested, changes in the fair value of financial instruments, net gains on financial instruments and foreign exchange gains. Interest income is recognized as it accrues in the statement of profit or loss and other comprehensive income, using the effective interest method.

Finance expense mainly comprises interest expense on loans and borrowings, changes in the fair value of financial instruments, net losses on financial instruments and foreign exchange losses.

Foreign currency gains and losses are reported on a net basis.

5.2.18 Customer acquisition costs

Customer acquisition costs are the directly attributable costs incurred in signing up a new customer. These include, but are not limited to, incentives paid to retailers, commissions paid to external dealers or agents, and sales commissions to the Company's staff.

Customer acquisition costs paid to a party other than the customer are capitalized as intangible assets if and only if the definition and recognition criteria are met, the costs are incremental to the subscriber contracts, and can be measured reliably. As these criteria are generally not met, customer acquisition costs are generally expensed as incurred.

Cash incentives given to customers are not viewed as customer acquisition costs, but are recognized as a deduction from revenue.

Benefits in kind given to customers, to the extent they do not represent a separate component of the arrangement, are recognized as an expense in the appropriate periods.

5.2.19 Changes in accounting policies

The following changes in accounting policies are reflected in the Company's consolidated financial statements as of and for the year ended December 31, 2022.

Amendments to IFRS 3 Business Combinations; IAS 16 Property, plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual improvements, issued on 14 May 2020, include several narrow-scope amendments which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards:

- Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss. The amendments also clarify that testing whether an item of PPE is functioning properly means assessing its technical and physical performance rather than assessing its financial performance.
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making. The amendments clarify that the 'costs of fulfilling a contract' comprise both: the incremental costs; and an allocation of other direct costs.
- Annual Improvements to IFRS Standards 2018–2020 make minor amendments to:
    - IFRS 1 First-time Adoption of International Financial Reporting Standards,
    - IFRS 9 Financial Instruments, clarification which fees should be included in the 10% test for derecognition of financial liabilities,
    - IAS 41 Agriculture, and
    - the Illustrative Examples accompanying IFRS 16 Leases

The amendments are effective for annual periods beginning on or after 1 January 2022. These amendments have been endorsed by the EU in July 2021 and had no material impact on the Group's consolidated financial statements.

5.2.20 Forthcoming requirements

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended December 31, 2022, and have not been applied in preparing these consolidated financial statements. The adoption of these standards, amendments to standards and interpretations, is not expected to have a material impact on the Company's financial result or financial position:

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies, issued on 12 February 2021, include narrow-scope amendments to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The amendments are effective for annual periods beginning on or after 1 January 2023 with early application permitted. These amendments have been endorsed by the EU in March 2022.

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates, issued on 12 February 2021, clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

The amendments are effective for annual periods beginning on or after 1 January 2023 with early application permitted. These amendments have been endorsed by the EU in March 2022.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction, issued on 7 May 2021, clarifies how companies should account for deferred tax on transactions such as leases and decommissioning obligations. IAS 12 Income Taxes specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations—transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The amendments are effective for annual periods beginning on or after 1 January 2023 with early application permitted. These amendments have been endorsed by the EU in August 2022.

Amendments to IAS 1 Presentation of Financial statements: Classification of Liabilities as Current or Non-current, issued on 23 January 2020, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments:

- specify that an entity's right to defer settlement must exist at the end of the reporting period;
- clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- clarify how lending conditions affect classification; and
- clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

On July 15, 2020, the IASB issued **Classification of Liabilities as Current or Non-current — Deferral of Effective Date (Amendment to IAS 1)** deferring the effective date of the January 2020 amendments.

On October 31, 2022, the IASB issued **Non-current liabilities with Covenants, which amends IAS 1** and specifies that covenants (i.e. conditions specified in a loan arrangement) to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements.

All of the IAS 1 amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. The amendments have not yet been endorsed by the EU.

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback, issued on 22 September 2022, introduce a new accounting model which will impact how a seller-lessee accounts for variable lease payments in a sale-and-leaseback transaction.

Under this new accounting model for variable payments, a seller-lessee will:

a. include estimated variable lease payments when it initially measures a lease liability arising from a sale-and-leaseback transaction; and
b. after initial recognition, apply the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains.

These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

The amendments apply retrospectively for annual periods beginning on or after 1 January 2024 with early application permitted. These amendments have not yet been endorsed by the EU.

5.3 Risk management

5.3.1 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 framework is to enable the Company to meet its objectives. The most important components of this system are described in the Company's Corporate Governance Statement under 8.4 Internal control and risk management systems.

The Company conducts its business in a rapidly changing environment that gives rise to numerous risks and uncertainties that it cannot control. Please refer to sections 8.4.3 Risk areas and 3 Risk factors for more detailed information.

The Company is involved in a number of legal procedures arisen in the normal course of operations, as Telenet operates within a highly competitive environment. Legal proceedings may arise in connection with matters such as intellectual property, advertising campaigns, product offerings and acquisition opportunities. Telenet discusses in note 5.26.1 certain procedures, which are still pending and in which the Company is involved. Besides the procedures described in note 5.26.1, Telenet does not expect the legal proceedings in which it is a party or by which it is threatened to have a material adverse effect on the activities or consolidated financial position. However, the Company notes that the outcome of legal proceedings can be extremely difficult to predict, and Telenet offers therefore no guarantees.

5.3.2 Credit risk

Qualitative disclosures

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.

The largest share of the gross assets subject to credit risk from operating activities are trade receivables from residential and small business customers located throughout Belgium and outstanding receivables towards Telenet's wholesale, interconnect and roaming partners. Accordingly, the Company has no significant concentration of credit risk. The risk of material loss from non-performance from these customers is not considered likely. The Company establishes reserves for doubtful accounts receivable to cover the potential loss from non-payment by these customers.

As for credit risk on financial instruments, the Company maintains credit risk policies with regard to its counterparties to minimize overall credit risk. These policies include an assessment of a potential counterparty's financial condition, credit rating and other credit criteria and risk mitigation tools as deemed appropriate. The Company maintains a policy of entering into such transactions only with highly rated European and US financial institutions. To minimize the concentration of counterparty credit risk, the Company enters into derivative transactions with a portfolio of financial institutions. Likewise, cash and cash equivalents are placed with highly rated financial institutions and only highly rated money market funds are used.

Quantitative disclosures

The Company considers its maximum exposure to credit risk to be as follows:

(€ in millions)	Note	December 31, 2022	December 31, 2021
Cash and cash equivalents (including money market funds, certificates of deposits)	5.11	1,064.4	139.5
Trade receivables	5.8	199.9	183.4
Derivative financial instruments	5.14	608.7	87.9
Indemnification receivable from acquisitions	5.9	17.0	15.1
Prepaid content	5.9	8.3	4.7
Prepayments	5.9	45.3	40.9
Outstanding guarantees to third parties for own liabilities (cash paid)	5.9	1.5	1.7
Loans to equity accounted investees	5.7	6.4	9.5
Total		**1,951.5**	**482.7**

More detailed financial information has been disclosed under the respective notes to the consolidated financial statements of the Company.

5.3.3 Liquidity risk

Qualitative disclosures

The principal risks to the Company's sources of liquidity are operational risks, including risks associated with 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 will depend 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, interest and tax payments and debt obligations.

Telenet Group Holding NV is a holding company with no source of operating income. It is therefore dependent on capital raising abilities and dividend payments from subsidiaries to generate funds. The terms of the 2020 Amended Senior Credit Facility contain a number of significant covenants that restrict the Company's ability, and the ability of its subsidiaries to, among other things, pay dividends or make other distributions, make capital expenditures, incur additional debt and grant guarantees. The agreements and instruments governing its debt contain restrictions and limitations that could adversely affect the Company's ability to operate its business.

The Company believes that its cash flow from operations and its existing cash resources, together with available borrowings under the 2020 Amended Senior Credit Facility, will be sufficient to fund its currently anticipated working capital needs, capital expenditures and debt service requirements.

The 2020 Amended Senior Credit Facility is discussed in greater detail in note 5.13.1 of the consolidated financial statements of the Company.

The Company has implemented a policy on financial risk management, which has last been reviewed and approved by the Audit and Risk Committee in October 2022. With respect to liquidity and funding risks, the key objectives can be summarized as:

- ensure that at all times the Company has access to sufficient cash resources to meet its financial obligations as they fall due and to provide funds for capital expenditure and investment opportunities as they arise;
- ensure that the Company has sufficient excess liquidity to ensure that the Company can meet its non-discretionary financial obligations in the event of unexpected business disruption;
- ensure compliance with borrowing facilities covenants and undertakings.

A minimum level of cash and cash equivalents is maintained in order to meet unforeseen cash expenses. A limit has also been set regarding the maximum amount that can be deposited and invested per banking counterparty. The Company's funding requirements and funding strategy are reviewed at least annually.

In September 2016, the Company entered into a €25.0 million bank overdraft facility in order to allow for a more active cash management policy within the context of continued negative short-term interest rates. In April 2020, the Company cancelled the short-term €60.0 million revolving credit facility with availability up to December 31, 2021 and the €400.0 million revolving credit facility with availability up to June 30, 2023. The Company issued a new €510.0 million revolving credit facility ("Revolving Credit Facility I") up to May 31, 2026. This new revolving credit facility can be used for general corporate purposes and carries a margin of 2.25% over EURIBOR (0% floor). In December 2020, the Company extended the short-term €20.0 million revolving credit facility for five years up to September 30, 2026. This extended revolving credit facility carries a margin of 2.25% over EURIBOR (0% floor), which is similar to the margin under the Revolving Credit Facility I.

A limit has been set regarding the maximum amount that can be invested per derivative product type. On top of this limit, the authorized financial counterparties have been determined and limits have been set for each counterparty by reference to their long-term credit rating.

Quantitative disclosures

The Company's aggregate contractual cash flows as at December 31, 2022 and 2021 were as follows:

Situation as of December 31, 2022	Payments due by period						
(€ in millions)							
Contractual obligations	Total	Less than 1 year	2 years	3 years	4 years	5 years	After 5 years
Long term debt [1] [3]	6,211.6	267.7	274.3	252.6	247.5	246.5	4,923.0
Lease obligations [1] [3]	469.5	71.5	55.3	52.2	48.9	44.4	197.2
Other contractual obligations [2]	1,147.0	269.7	168.8	108.4	35.2	30.2	534.7
Interest rate derivatives [3]	719.3	56.8	146.2	166.9	92.4	100.6	156.4
Foreign exchange derivatives	0.8	0.8	—	—	—	—	—
Accrued expenses and other current liabilities [4]	341.3	341.3	—	—	—	—	—
Trade payables	207.9	207.9	—	—	—	—	—
Total contractual obligations	**9,097.4**	**1,215.7**	**644.6**	**580.1**	**424.0**	**421.7**	**5,811.3**

Situation as of December 31, 2021	Payments due by period						
(€ in millions)							
Contractual obligations	Total	Less than 1 year	2 years	3 years	4 years	5 years	After 5 years
Long term debt [1] [3]	6,051.4	499.9	166.1	175.2	178.0	178.0	4,854.0
Lease obligations [1] [3]	520.9	92.6	81.2	56.9	51.2	46.3	192.7
Other contractual obligations [2]	1,268.3	260.2	190.2	137.6	85.3	31.0	564.0
Interest rate derivatives [3]	(84.1)	27.8	(7.3)	(27.3)	(28.1)	(15.6)	(33.6)
Foreign exchange derivatives	48.9	47.5	1.4	—	—	—	—
Accrued expenses and other current liabilities [4]	522.7	522.7	—	—	—	—	—
Trade payables	166.5	166.5	—	—	—	—	—
Total contractual obligations	**8,494.6**	**1,617.2**	**431.6**	**342.4**	**286.4**	**239.7**	**5,577.1**

1 Interest included.
2 Represents fixed minimum commitments under certain programming and purchase agreements, amounts associated with certain operating costs resulting from the Interkabel acquisition as well as commitments related to the mobile spectrum (note 5.6).
3 Contractual obligations with a floating interest rate are based on the rate outstanding as at December 31. The contractual obligations also reflect the euro value of nominal exchanges due at maturity of the Company's cross currency interest rates swaps.
4 Excluding compensation and employee benefits, VAT and withholding taxes.

5.3.4 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. Each of these risks is discussed below.

Qualitative disclosures on foreign exchange risk

The Company undertakes certain transactions in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts.

The Company's functional currency is the euro. However, the Company conducts, and will continue to conduct, transactions in currencies other than the euro, particularly the US dollar. Approximately 2.7% of the Company's costs of operations for the year ended December 31, 2022 were denominated in US dollars (for the year ended December 31, 2021: approximately 1.5%) and primarily reflected costs for network hardware equipment, software and premium cable television rights. The increase versus 2021 was primarily driven by the operational spend of the Caviar Group during Q4. Excluding the Caviar spend, 2% of the cost of operations were denominated in USD. The Company generated 99% of its revenue in euros, the remaining 1% was generated by Caviar in USD. Decreases in the value of the euro relative to the US dollar would increase the cost in euro of the Company's US dollar denominated costs and expenses, while increases in the value of the euro relative to the US dollar would have the reverse effect.

The Company has historically covered a portion of its US dollar cash outflows arising on anticipated and committed purchases through the use of foreign exchange derivative instruments. The Company uses forward foreign exchange contracts to manage the exchange rate risk arising from:

- purchases of goods and services in foreign currency;
- capital equipment priced in foreign currency or subject to price changes due to movements in exchange rates; and
- payments of royalties, franchise or license fees denominated in a foreign currency.

Although the Company takes steps to protect itself against the volatility of currency exchange rates, there is a residual risk that currency risks due to volatility in exchange rates could have a material adverse effect on the Company's financial condition and results of operations.

The Company taps the USD and the € debt markets in order to diversify its lenders' sources and to maximize the all-in € rate It is the Company's policy to hedge the currency risk on the capital and the interests arising from the issuance of an USD denominated debt.

In January 2020, Telenet successfully issued and priced a new 8.25-year USD 2,295 million Term Loan ("Facility AR") and a new 9.25-year €1,110 million Term Loan ("Facility AQ"). Telenet has used the net proceeds of these issuances to redeem in full the previous Term Loans AN and AO of USD 2,295 million and €1,110 million, respectively. Through this leverage-neutral transaction, Telenet succeeded in reducing the margin on both term loans by 25 basis points, which further solidifies its Adjusted Free Cash Flow profile after the October 2019 refinancing of the 4.875% Senior Secured Notes due 2027. The currency risk exposure of the USD 2,295 million Term Loan AR and the USD 1.0 billion 5.50% Senior Secured Fixed Notes due 2028 is hedged through cross currency and interest rates swap derivatives.

The outstanding forward foreign exchange derivatives as of December 31, 2022 and 2021, are disclosed in more detail in note 5.14 to the consolidated financial statements of the Company.

The outstanding amounts of loans and borrowings denominated in USD as of December 31, 2022 and 2021, are disclosed in more detail in note 5.13 to the consolidated financial statements of the Company.

Managing interest rate benchmark reform and associated risks

In July 2017, the U.K. Financial Conduct Authority (the authority that regulates LIBOR) announced that it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. Additionally, the European Money Markets Institute (the authority that administers EURIBOR) has announced that measures will need to be undertaken by the end of 2021 to reform EURIBOR to ensure compliance with E.U. Benchmarks Regulation. In November 2020, ICE Benchmark Administration (the entity that administers LIBOR) announced its intention to continue publishing USD LIBOR rates until June 30, 2023, with the exception of the one-week and two-month rates which, along with all CHF and GBP LIBOR rates, it ceased to publish after December 31, 2021. While this extension allows additional runway on existing contracts using USD LIBOR rates, companies are still encouraged to transition away from using USD LIBOR as soon as practicable and should not enter into new contracts that use USD LIBOR after 2021. The methodology for EURIBOR has been reformed and EURIBOR has been granted regulatory approval to continue to be used. Currently, there is no consensus amongst loan borrowers and investors for what rate(s) should replace USD LIBOR.

In October 2020, the International Swaps and Derivatives Association (the ISDA) launched the Fallback Supplement, which, as of January 25, 2021, amended the standard definitions for interest rate derivatives to incorporate fallbacks for derivatives linked to certain key interbank offered rates (IBORs). The ISDA also launched the Fallback Protocol that enables market participants to incorporate these revisions into their legacy non-cleared derivatives with other counterparties that choose to adhere to the protocol. The fallbacks for a particular currency apply following a permanent cessation of the IBOR in that currency, or in the case of a LIBOR setting, that LIBOR setting becoming permanently unrepresentative, and are adjusted versions of the risk-free rates identified in each currency. Our credit agreements contain provisions that contemplate alternative calculations of the base rate applicable to our LIBOR-indexed and EURIBOR-indexed debt to the extent LIBOR or EURIBOR (as applicable) are not available, which alternative calculations we do not anticipate will be materially different from what would have been calculated under LIBOR or EURIBOR (as applicable). Additionally, no mandatory prepayment or redemption provisions would be triggered under our credit agreements in the event that either the LIBOR rate or the EURIBOR rate is not available. It is possible, however, that any new reference rate that applies to our LIBOR-indexed or EURIBOR-indexed debt could be different from any new reference rate that applies to our LIBOR-indexed or EURIBOR-indexed derivative instruments. For discontinued currencies and tenors, we expect to continue taking steps to

mitigate the changes in these benchmark rates, including by amending existing credit agreements and adhering to the Fallback Protocol protocol, where appropriate. We plan to continue to manage this difference and any resulting increased variable-rate exposure through modifications to our debt and/or derivative instruments, however future market conditions may not allow immediate implementation of desired modifications and our subsidiaries may incur significant associated costs.

The Company's Senior Secured Fixed Rate Notes are not subject to any impact of the IBOR reform. The 2020 Amended Senior Credit Facility, the Revolving Credit Facilities and Overdraft Facility have EURIBOR and LIBOR as reference rates. However, at the occasion of new (re)financing transactions over the last few years, the Company asked lenders to consent to a new clause allowing the facility agent and Telenet, without requiring lender consent, to agree on an alternative benchmark rate at any time and make consequential amendments to the involved facilities to implement the new benchmark rate. In October 2020, the Company also implemented a new vendor financing platform with ING replacing the BNP facility / platform. The new ING platform references LIBOR and EURIBOR and also allows Telenet to select a replacement rate.

Qualitative disclosures on interest rate risk

The Company is mainly exposed to interest rate risk arising from borrowings at floating interest rates, interest bearing investments and leases. The Company limits its exposure to floating interest rates through the use of derivative instruments.

The risk is managed by maintaining an appropriate mix of cross-currency interest rate swap contracts, interest rate cap contracts, interest rate collar contracts.

The Company implemented a policy on financial risk management, which has been reviewed and approved by the Audit and Risk Committee in October 2022. With respect to interest rate risk, the key objectives can be summarized as:

- only long term interest exposures (+ 1 year) are managed; and
- all derivative instruments used are designated to actual interest exposures and are authorized under the policy.

As referred to above, the outstanding interest rate derivatives as of December 31, 2022 and 2021, are disclosed in more detail in note 5.14 to the consolidated financial statements of the Company.

Under the 2020 Amended Senior Credit Facility, there is a 0% floor. As a result, if EURIBOR is below zero, then EURIBOR is deemed to be zero. The same mechanism applies to the Company's USD-denominated exposure. As the interest rate derivatives entered into by the Company did not include a 0% floor,the Company was at risk if the EURIBOR fell below zero at any time. As such, the company seized a market opportunity in October 2019 to buy back this 0% floor.

Quantitative disclosures

Interest rate sensitivity testing

For interest rate derivatives, the Company has used a sensitivity analysis technique that measures the change in the fair value of these financial instruments for hypothetical changes in the relevant base rate applicable at year-end, holding all other factors constant.

A change of 25 basis points in interest rates at the reporting date would have changed the fair values of the Company's interest rate derivatives as set out in the table below:

Situation as of December 31 (€ in millions)	2022		2021	
	+0.25%	-0.25%	+0.25%	-0.25%
Changes in fair value				
Swaps	36.8	(36.8)	52.2	(52.2)
Floors	(0.6)	0.6	(10.5)	10.5
Total	**36.2**	**(36.2)**	**41.7**	**(41.7)**

The following table summarizes the Company's obligations regarding interest payments under the outstanding floating rate indebtedness and interest rate derivatives. The amounts generated from this sensitivity analysis are forward-looking estimates of market risk assuming certain market conditions. Actual results in the future may differ materially from those projected results due to the inherent uncertainty of global financial markets.

Situation as of December 31, 2022	Interest payments due by period					
+0.25% (€ in millions)	Less than 1 year	2 years	3 years	4 years	5 years	After 5 years
2020 Amended SCF Term Loan AR	154.5	138.9	121.3	119.6	120.8	45.2
2020 Amended SCF Term Loan AQ	46.4	68.6	65.3	62.6	62.7	63.3
Interest Derivatives	(62.9)	(154.5)	(123.9)	(99.9)	(108.5)	(59.5)
Total	**138.0**	**53.0**	**62.7**	**82.3**	**75.0**	**49.0**

Situation as of December 31, 2022	Interest payments due by period					
-0.25% *(€ in millions)*	Less than 1 year	2 years	3 years	4 years	5 years	After 5 years
2020 Amended SCF Term Loan AR	143.6	127.9	110.5	108.7	110.0	41.1
2020 Amended SCF Term Loan AQ	40.7	63.0	59.6	56.9	57.1	57.6
Interest Derivatives	(50.8)	(138.0)	(107.4)	(83.4)	(89.6)	(50.9)
Total	**133.5**	**52.9**	**62.7**	**82.2**	**77.5**	**47.8**

Situation as of December 31, 2021	Interest payments due by period					
+0.25% *(€ in millions)*	Less than 1 year	2 years	3 years	4 years	5 years	After 5 years
2020 Amended SCF Term Loan AR	55.7	72.9	79.0	79.7	79.8	110.1
2020 Amended SCF Term Loan AQ	25.3	25.8	28.4	30.5	31.2	91.7
Interest Derivatives	24.8	(12.8)	(35.1)	(36.0)	(23.5)	(46.7)
Total	**105.8**	**85.9**	**72.3**	**74.2**	**87.5**	**155.1**

Situation as of December 31, 2021	Interest payments due by period					
-0.25% *(€ in millions)*	Less than 1 year	2 years	3 years	4 years	5 years	After 5 years
2020 Amended SCF Term Loan AR	45.9	62.7	68.8	69.5	69.6	96.1
2020 Amended SCF Term Loan AQ	25.3	25.5	25.3	25.3	25.6	75.9
Interest Derivatives	30.8	(2.2)	(21.7)	(20.6)	(7.7)	(20.5)
Total	**102.0**	**86.0**	**72.4**	**74.2**	**87.5**	**151.5**

For fixed rate debt, changes in interest rates generally affect the fair value of the debt instrument, but not the Company's earnings or cash flows. Due to the January 2020 refinancing, the Company does not face any debt amortizations prior to maturity at March 1, 2028. Accordingly, interest rate risk and changes in fair market value should not have a significant effect on its fixed rate debt until the Company would be required to refinance such debt.

For further information, we refer to note 5.13 to the consolidated financial statements of the Company.

Foreign currency sensitivity testing

The following table details the Company's sensitivity to a 10% increase and decrease of the relevant foreign exchange rate. The Company utilizes 10% as the sensitivity rate when reporting foreign currency risk internally as it represents management's assessment of a reasonably possible change in foreign exchange rates. The sensitivity analysis primarily includes the effect on Telenet's US dollar denominated receivables and payables (primarily payables associated with network hardware equipment, software and premium cable television rights) and the Company's USD-denominated debt. As described under 5.3.4 Market risk - Qualitative disclosures on foreign exchange risk, the Company's USD-denominated debt is hedged through cross-currency interest rate swaps. This offsets part of the foreign currency sensitivity on the Company's Term Loan AR and its USD 1.0 billion Senior Secured Notes due 2028 as outlined in the table below based on the hedged position (if any).

December 31, 2022						
(USD in millions)	Foreign currency	Amount in foreign currency	10% increase		10% decrease	
Trade receivables	USD	6.8	0.6	On profit or loss	(0.7)	On profit or loss
Trade payables	USD	7.8	(0.7)	On profit or loss	0.8	On profit or loss
USD 1.0 billion Senior Secured Notes due 2028 (Facility AJ)	USD	1,000.0	(84.9)	On profit or loss	103.7	On profit or loss
2020 Amended SCF - Term Loan AR	USD	2,295.0	(194.8)	On profit or loss	238.1	On profit or loss

December 31, 2021						
(USD in millions)	Foreign currency	Amount in foreign currency	10% increase		10% decrease	
Trade payables	USD	6.8	(0.5)	On profit or loss	0.7	On profit or loss
USD 1.0 billion Senior Secured Notes due 2028 (Facility AJ)	USD	1,000.0	(79.8)	On profit or loss	97.6	On profit or loss
2020 Amended SCF - Term Loan AN	USD	2,295.0	(183.2)	On profit or loss	223.9	On profit or loss

5.3.5 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.

At the occasion of the September 2022 Capital Markets Day - and against the current macro-economic backdrop - Telenet confirmed its intention to maintain consolidated net leverage ratio rather towards the lower end of the 3.5x to 4.5x range. Telenet's long-term consolidated ambition is to drive growth in both ARPU and its customer base, translating into healthy top line growth. Through increased digitization, Telenet expects its operating costs to further decrease over time, boosting Adjusted EBITDA. After the NetCo network build and upgrade, Telenet expects a significantly lower CAPEX intensity across both its NetCo and Telenet businesses, translating into robust Adjusted Free Cash Flow growth and growth in the Company's shareholder remuneration profile from its current policy.

As announced mid-July last year, Telenet's board of directors has opted for a balanced shareholder remuneration policy during the investment cycle (annual gross dividend per share of €1.0 during the 2023-2029 roll-out period) with upside potential (through extraordinary dividends and/or share buy-backs) from either a partial NetCo divestment and/or our ability to optimize the FTTH investment plan.

Following the tower disposal and the subsequent move to Adjusted EBITDAaL, and effective Q2 2022, Telenet has changed the way the Company is calculating net total leverage. Net total leverage is now calculated using net debt excluding leases and is divided by the last two quarters' annualized Adjusted EBITDAaL. On this metric, Telenet's net total leverage at December 31, 2022 reached 3.4x as the December 31, 2022 Adjusted EBITDAaL only included a seven-month lease expense for tower sites. Under the previous net total leverage definition, using net debt including leases divided by the last two quarters' annualized Adjusted EBITDA, Telenet's net total leverage was 3.9x at December 31, 2022.

The net covenant leverage, as calculated under the 2020 Amended Senior Credit Facility, differs from the net total leverage as it excludes (i) any vendor financing-related short-term liabilities, (ii) any liabilities related to the mobile spectrum licenses, yet includes (iii) the Credit Facility Excluded Amount (which is the greater of €400.0 million and 0.25x Consolidated Adjusted Annualized EBITDA) and (iv) divides Net Total Debt by the last two quarter's annualized EBITDA. Telenet's net covenant leverage reached 2.2x at December 31, 2022. Telenet's current net covenant leverage ratio is significantly below the springing maintenance covenant of 6.0x and the incurrence test of 4.5x net senior leverage. The aforementioned maintenance covenant only applies, however, in case Telenet would draw 40% or more under the revolving credit facilities. At December 31, 2022, Telenet's revolving credit facilities were fully undrawn as mentioned above.

5.3.6 Financial instruments: fair values

Carrying amount versus fair value

The fair values of financial assets and financial liabilities, together with the carrying amounts in the consolidated statement of financial position and their levels in the fair value hierarchy are summarized in the table below. The fair value measurements are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation techniques. Accounts receivable, accounts payable, as well as other assets and liabilities are not included in fair value table as their carrying amount approximates their fair value.

December 31, 2022	Note	Carrying amount	Fair value			
(€ in millions)				Level 1	Level 2	Level 3
Financial assets						
Financial assets carried at fair value						
Money market funds	5.11	971.3	971.3	971.3	—	—
Derivative financial assets	5.14	608.7	608.7	—	608.7	—
Total financial assets carried at fair value		**1,580.0**	**1,580.0**	**971.3**	**608.7**	**—**
Financial liabilities						
Financial liabilities carried at fair value						
Derivative financial liabilities	5.14	92.1	92.1	—	92.1	—
Total financial liabilities carried at fair value		**92.1**	**92.1**	**—**	**92.1**	**—**
Financial liabilities carried at amortized cost						
Loans and borrowings (including accrued interest excluding deferred financing fees and lease obligations)	5.13					
- 2020 Amended Senior Credit Facility		3,269.1	3,273.0	—	3,273.0	—
- Senior Secured Fixed Rate Notes[1]		1,506.7	1,506.0	1,506.0	—	—
- Revolving Facility I		1.1	1.0	—	1.0	—
- Nextel Credit Facility		0.2	0.2	—	0.2	—
- SFR network right of use		3.6	1.8	—	1.8	—
- Vendor financing		350.1	350.1	—	350.1	—
- Clientele fee > 20 years		128.5	142.4	—	142.4	—
- Mobile Spectrum		399.7	266.8	—	266.8	—
- TowerCo other debt		9.0	5.2	—	5.2	—
- Renting debt		0.2	0.2	—	0.2	—
- Other debt Connectify & Ucast		0.7	0.7	—	0.7	—
- Other debt Caviar		5.0	4.5	—	4.5	—
Total financial liabilities carried at amortized cost		**5,673.9**	**5,551.9**	**1,506.0**	**4,045.9**	**—**

[1] The Senior Secured Fixed Rate Notes are listed on the Luxembourg stock exchange market

December 31, 2021	Note	Carrying amount	Fair value			
(€ in millions)				Level 1	Level 2	Level 3
Financial assets						
Financial assets carried at fair value						
Money market funds	5.11	95.0	95.0	95.0	—	—
Derivative financial assets	5.14	87.9	87.9	—	87.9	—
Total financial assets carried at fair value		**182.9**	**182.9**	**95.0**	**87.9**	**—**
Financial liabilities						
Financial liabilities carried at fair value						
Derivative financial liabilities	5.14	(232.9)	(232.9)	—	(232.9)	—
Total financial liabilities carried at fair value		**(232.9)**	**(232.9)**	**—**	**(232.9)**	**—**
Financial liabilities carried at amortized cost						
Loans and borrowings (including accrued interest excluding deferred financing fees and lease obligations)	5.13					
- 2020 Amended Senior Credit Facility		3,135.4	3,078.4	—	3,078.4	—
- Senior Secured Fixed Rate Notes[1]		1,449.3	1,463.2	1,463.2	—	—
- Revolving Facility I		1.1	1.1		1.1	
- Nextel Credit Facility		0.4	0.3	—	0.3	—
- SFR network right of use		3.8	1.9	—	1.9	—
- Vendor financing		349.4	349.4	—	349.4	—
- Clientele fee > 20 years		125.7	143.7	—	143.7	—
- Renting debt		0.9	0.8	—	0.8	—
- Other debt Connectify & Ucast		0.8	0.7	—	0.7	—
Total financial liabilities carried at amortized cost		**5,066.8**	**5,039.5**	**1,463.2**	**3,576.3**	**—**

[1] The Senior Secured Fixed Rate Notes are listed on the Luxembourg stock exchange market

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Unobservable inputs	Inter-relationship between unobservable inputs and fair value measurements
Interest rate derivatives	Discounted cash flows: the fair value of the cross-currency and interest rate derivatives is calculated by the Company based on swap curves flat, taking into account the credit risk of both the Company and the respective counterparties to the instruments. The Company also compares the fair values thus calculated to the respective instruments' fair value as provided by the counterparty.	The credit risk of both the Company and the respective counterparties to the instruments.	The estimated fair value would increase (decrease) if: - the credit risk of the company were lower (higher) - the credit risk of the countercompany were higher (lower).
Foreign exchange forwards and embedded derivatives	Discounted cash flows: the fair value of forward exchange contracts is calculated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate. This calculation is compared to the listed market price, if available.	Not applicable.	Not applicable.

Financial instruments not measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Loans and borrowings: - 2020 Amended Senior Credit Facility - Overdraft facilities	Market comparison technique: The fair values are based on broker quotes. The brokers providing the quotes are among the most active in the trading of the Senior Credit Facility, and regularly provide quotes to the market. No adjustments to this pricing are needed.	Not applicable.	Not applicable.
Loans and borrowings: - Nextel Renting debt - SFR network right of use - Vendor financing - Nextel credit facility - Clientele fee > 20 years - Mobile Spectrum - TowerCo other debt - Other debt Caviar - Other debt Connectify & U-Cast	Discounted cash flows.	Discount rate.	The estimated fair value would increase (decrease) if: - the discount rate were lower (higher).

During the year ended December 31, 2022, no financial assets or liabilities measured at fair value have been transferred between the levels of the fair value hierarchy.

5.4 Property and equipment

(€ in millions)	Note	Land, buildings, and leasehold improvements	Network	Construction in progress	Furniture, equipment, and vehicles	Total
Cost						
At January 1, 2021		**234.0**	**3,972.3**	**98.6**	**115.0**	**4,419.9**
Additions		(0.9)	245.9	—	11.1	256.1
Additions decommissioning costs		0.4	4.8	—	0.1	5.3
Transfers		—	93.7	(49.2)	(54.0)	(9.5)
Other		—	—	—	0.5	0.5
Impairment		—	—	(1.2)	—	(1.2)
Write off of fully depreciated assets		(9.3)	(36.5)	—	(7.1)	(52.9)
At December 31, 2021		**224.2**	**4,280.2**	**48.2**	**65.6**	**4,618.2**
Acquisition Caviar		3.4	—	—	0.8	4.2
Additions		16.4	583.3	53.2	11.1	664.0
Sale of assets - TowerCo		—	(320.8)	(0.7)	—	(321.5)
Additions decommissioning costs - TowerCo			14.6			14.6
Transfers		—	47.1	(26.1)	(21.0)	—
Effect of movements in exchange rates		(0.3)	—	—	(0.2)	(0.5)
Impairment		—	—	(1.4)	—	(1.4)
Write off of fully depreciated assets		(1.7)	(106.6)	—	(13.1)	(121.4)
At December 31, 2022		**242.0**	**4,497.8**	**73.2**	**43.2**	**4,856.2**
Accumulated Depreciation						
At January 1, 2021		**119.9**	**1,958.9**	**—**	**53.1**	**2,131.9**
Depreciation charge for the year		26.6	398.8	—	9.0	434.4
Transfers		—	16.0	—	(26.0)	(10.0)
Write off fully depreciated assets		(9.3)	(36.5)	—	(7.1)	(52.9)
At December 31, 2021		**137.2**	**2,337.2**	**—**	**29.0**	**2,503.4**
Depreciation charge for the year		21.3	388.1	—	8.0	417.4
Sale of assets - TowerCo		—	(141.7)	—	—	(141.7)
Transfers		—	0.5	—	—	0.5
Effect of movements in exchange rates		—	—	—	(0.2)	(0.2)
Write off of fully depreciated assets		(1.7)	(106.6)	—	(13.1)	(121.4)
At December 31, 2022		**156.8**	**2,477.5**	**—**	**24.8**	**2,659.1**
Carrying Amount						
At December 31, 2022		85.2	2,020.3	73.2	18.4	2,197.1
December 31, 2021		87.0	1,943.0	48.2	36.6	2,114.8

Capital expenditures for property and equipment reached €664.0 million for the year ended December 31, 2022, (€256.1 million for the year ended December 31, 2021) mainly related to investments in the Company's network (€583.3 million), primarily related to the sale and leaseback of the Company's passive mobile network and infrastructure, as further detailed below.

Construction in progress essentially relates to investments into the Company's network and Customer Premises Equipment.

For the year ended December 31, 2022, the Company removed €121.4 million of gross cost and accumulated depreciation related to fully depreciated assets which are no longer used by the Company (€52.9 million for the year ended December 31, 2021).

The Company recognized a gain on disposal of assets of €8.7 million for the year ended December 31, 2022 (€4.8 million for the year ended December 31, 2021), mainly attributable to sale of modems, set-up boxes and sale of scrap material and insurance recovery.

Sale and leaseback of the Company's passive mobile network infrastructure

On March 25, 2022, Telenet Group Holding NV and DigitalBridge Investments LLC, a wholly owned subsidiary of DigitalBridge Group, Inc. (further referred to as “DigitalBridge”), entered into a binding agreement for the sale of 100% of the shares of Telenet Newco NV (further referred to as "TowerCo") for a total consideration of €745.0 million on a cash-free and debt-free basis, fully payable in cash. Prior to the closing of the transaction, Telenet transferred assets, both owned and leased, and liabilities related to its passive mobile network infrastructure to TowerCo. The initial purchase price as defined in the aforementioned agreement, taking into account an initial net working capital adjustment as well as a price correction for new sites built at completion date amounted to a cash amount received of €733.0 million upon the closing of the transaction, i.e. June 1, 2022. As per December 31, 2022, the adjusted purchase price, after agreed upon contractually foreseen adjustments was determined to be €740.2 million.

As part of the aforementioned agreement, Telenet Group NV and Belgium Tower Partners NV, the new name of TowerCo, entered into a Master Lease Agreement (“MLA”) for an initial lease period of 15 years and two possible renewal periods of 10 years each. The agreement also includes a build-to-suit commitment to deploy a minimum of 475 additional new sites with Telenet (i) acting as a subcontractor to Belgium Tower Partners NV and (ii) entering into a lease agreement for these newly constructed sites.

The Company determined that (i) the initial transfer of the assets and liabilities related to the Company’s passive mobile network infrastructure qualified as a sale under IFRS 15, and consequently, that (ii) the series of transactions mentioned above represent a sale and leaseback transaction.

In accordance with the requirements of IFRS 16 Leases, the Company thus:

- derecognized the underlying assets;
- applied the lessee accounting model to the leaseback and recognized a corresponding lease liability;
- measured the right-of-use asset at the retained portion of the previous carrying amount (at cost); and
- recognized only the amount of the gain related to the rights transferred to the TowerCo.

In its assessment, the Company identified the various lease and non-lease components and allocated the total amounts of the minimum lease payments over these components by reference to the respective fair values of each of the components.

The key financial impacts of the aforementioned transactions can be summarized as follows (see also Note 5.29):

- purchase price amounting to €740.2 million, of which €733.0 million had been received in cash as per December 31, 2022, while the remaining €7.2 million was received in January 2023;
- derecognition of the owned passive mobile network infrastructure with a net book value of €72.0 million at transaction date;
- derecognition of the transferred right of use assets (net book value of €108.1 million) and the corresponding lease liabilities (€106.6 million);
- recognition of lease liabilities under the MLA, amounting to €582.3 million (see note 5.13.7.);
- recognition of right-of-use assets related to the sold passive mobile network infrastructure, amounting to €32.0 million;
- recognition of right-of-use assets related to land and location leases, amounting to €254.8 million;

- recognition of other lease – leaseback financing liabilities for an amount of €9.0 million;
- a total gain realized on the series of transactions amounting to €371.2 million; and
- a deferred tax asset and a corresponding deferred tax benefit on the transactions for an amount of €75.9 million.

With respect to its obligations regarding the removal of its active mobile network equipment on the leased passive mobile network infrastructure, the Company recognized a decommissioning provision (and corresponding asset) amounting to €14.6 million as per December 31, 2022.

For further information regarding lease obligations, we refer to note 5.29.

For further information regarding assets pledged as security, we refer to note 5.13.5.

5.5 Goodwill

The total amount of goodwill as of December 31, 2022 amounted to €1,829.6 million (December 31, 2021: €1,823.8 million). The increase of €5.8 million was attributable to the goodwill recognized in connection with the acquisition of the Caviar Group (€39.5 million), partially offset by the impairment of the goodwill allocated to SBS Belgium / Woestijnvis (€33.7 million).

	(€ in millions)
January 1, 2021	**1,823.8**
December 31, 2021	**1,823.8**
Step acquisition of subsidiaries - Caviar Group	39.5
Impairment - SBS Belgium / Woestijnvis	(33.7)
December 31, 2022	**1,829.6**

(*) For detailed information regarding the acquisition and purchase price allocation of Caviar Group, we refer to Note 5.24.1.

As of December 31, 2021, the Company identified two cash generating units, being:

- Telenet; and
- SBS Belgium and Woestijnvis.

Upon the acquisition of the Caviar Group on October 3, 2022, the Company identified, as of December 31, 2022 the following three cash-generating units:

- Telenet;
- SBS Belgium and Woestijnvis; and
- Caviar Group.

Goodwill arising in a business combination is allocated to the acquirer's cash generating units that are expected to benefit from the synergies of the business combination in which goodwill arose. This is irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The provisional goodwill arising from the Caviar Group acquisition amounted to €39.5 million. Considering the recent acquisition of Caviar Group and the valuation of the CGU performed at that time (Note 5.24.1), and the fact that the Company did not identify any indication of possible impairment between the acquisition date and December 31, 2022, the Company determined that no indications existed that the carrying amount of the CGU exceeded its recoverable amount at December 31, 2022.

The Company performed its annual reviews for impairment during the fourth quarter of 2022 and 2021.

The recoverable amount of the cash generating unit SBS Belgium and Woestijnvis was based on its value in use, was determined by discounting the future cash flows to be generated from its continuing use (Discounted Cash Flow method, "DCF") and was determined in a similar manner to the year ended December 31, 2021. The key assumptions for the value in use calculations consist of the discount rates and the CGU's underlying business plan. However, in the last quarter of 2022 the Company revised the

business plan of SBS Belgium and Woestijnvis, as a broadcaster with its four TV channels, and as a content production company, reflecting lower yearly free cash flows compared to previous estimates.

The development of the business plan of SBS Belgium and Woestijnvis relies on a number of assumptions, including:

- market growth;
- the evolution of the it's market share;
- the viewing rates of SBS Belgium and the related advertising income;
- the ability to create new content productions and extend existing content productions;
- the expected evolution of various direct and indirect expenses;
- the expected evolution in other variable and fixed costs;
- the estimated future capital expenditure; and
- the expected cashflows.

The assumptions were derived mainly from:

- available historical data;
- external market research and observations with respect to e.g. inflation, changes in the remuneration index, etc.; and
- internal market expectations based on trend reports and latest business insights the current state of important negotiations, etc.

and are the result of an internal process in which all the above-mentioned information is gathered and aggregated on a consolidated level in correspondence with the Company's strategy.

As of December 31, 2022, the Company's annual goodwill impairment test resulted in a value-in-use calculation taking into account the expected cash flows as determined in the updated business plan for SBS Belgium / Woestijnvis, and using a pre-tax discount rate of 11.5% (8.4% for the year ended December 31, 2021). Based on that value-in-use calculation, the recoverable amount of the SBS Belgium / Woestijnvis cash generating unit as per December 31, 2022 was estimated at €69.9 million, compared to a carrying amount of the CGU of €115.5 million. As a consequence, at December 31, 2022, the Company recognized a goodwill impairment charge of €33.7 million (note 5.20), reducing the associated goodwill related to this CGU to zero. Furthermore, the Company recognized an impairment loss of €11.9 million on previously identified intangible assets which were recognized at the business acquisition date at fair value. This impairment loss was allocated to brand names (€8.2 million), customer relationships (€0.2 million) and other intangible assets subject to amortization (€3.5 million) (Note 5.6).

The recoverable amount compared to the carrying amount of the CGU amounted to:

(€ in millions)	Recoverable amount	Carrying amount of the CGU	Impairment charge
December 31, 2022	69.9	115.5	(45.6)
Total Impairment Charge for the twelve months ended December 31, 2022			**(45.6)**
Goodwill impairment charge			(33.7)
Impairment loss on intangible assets			(11.9)

The impairment loss was recognized in Selling, general and administration expenses in the consolidated statement of profit and loss and other comprehensive income.

The recoverable amount of the cash generating unit Telenet was based on its value in use and was determined by discounting the future cash flows to be generated from its continuing use (Discounted Cash Flow method, "DCF"). The value in use of the cash generating unit Telenet for the year ended December 31, 2022 was determined in a similar manner to the year ended December 31, 2021. The key assumptions for the value in use calculations used to determine the recoverable amount of the Telenet cash

generating unit are those regarding the discount rates and expected changes to selling prices, product offerings, direct costs, EBITDA margins and terminal growth rates.

The discount rate used is a pre-tax measure estimated based on past experience, and industry average weighted cost of capital, which in its turn is calculated based on:

- the risk free interest rate (source: Bloomberg, forward 10 yr interest rate curve (date: December 31, 2022) weighted average Euro & USD debt;
- a market risk premium (Source: PwC eValuation Data Belgium); and
- a levered beta specific to cable TV and telecom operators (Source: Damodaran), taking into account the Company's debt to equity ratio.

Changes in selling practices and direct costs are based on past practices and expectations of future changes in the market. The calculation uses cash flow projections based on financial budgets approved by management, the Company's Plan of Records through 2031, and a pre-tax discount rate of 8.4% (8.0% for the year ended December 31, 2021) based on current market assessments of the time value of money and the risks specific to the Company. The development of the Plan of Records relies on a number of assumptions, including:

- market growth, the evolution of the Company's market share and the resulting trends in the number of subscribers;
- the product mix per subscriber;
- the average revenue per subscriber;
- the expected evolution of various direct and indirect expenses;
- the expected evolution in other variable and fixed costs; and
- the estimated future capital expenditure (excluding capital expenditure that improves or enhances the Company's assets' performance).

The assumptions were derived mainly from:

- available historical data;
- external market research and observations with respect to e.g. inflation, changes in the remuneration index, evolutions of the number of households, connection points, etc.; and
- internal market expectations based on trend reports, the current state of important negotiations, etc.

These assumptions are the result of an internal process in which all the above-mentioned information is gathered and aggregated on a consolidated level in correspondence with the Company's strategy.

For the year ended December 31, 2022, cash flows beyond the nine-year period have been extrapolated using a growth rate of 0.4% (negative growth rate of 1% for the year ended December 31, 2021), based on historical data and macro-economic conditions. This growth rate does not exceed the long-term average growth rate for the industry as published periodically in the Bulletins of the European Central Bank ("ECB"). The DCF calculation for determining the value in use and net recoverable amount mentioned above was reviewed for reasonableness by comparing the result of the calculation to the market capitalization of the Company. The key assumptions used are reviewed and updated on a yearly basis by the Company's management. Taking into account the considerable excess of the Telenet cash generating unit's recoverable amount over its carrying amount, and based on sensitivity testing performed, management is of the opinion that any reasonably possible changes in key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed the recoverable amount at December 31, 2022.

5.6 Other intangible assets

(€ in millions)	Note	Network user rights	Trade name	Software	Customer relation-ships	Broad-casting rights	Other	Total
Cost								
At January 1, 2021		**294.6**	**192.3**	**946.7**	**179.6**	**178.5**	**34.6**	**1,826.3**
Additions		16.8	—	244.8	—	121.1	—	382.7
Transfer		—	—	—	(0.5)	—	—	(0.5)
Write-off of fully amortized assets		(30.7)	(7.2)	(173.2)	(0.1)	(2.9)	—	(214.1)
At December 31, 2021		**280.7**	**185.1**	**1,018.3**	**179.0**	**296.7**	**34.6**	**1,994.4**
Acquisition Caviar		—	7.3	0.4	8.4	—	1.8	17.9
Additions		434.8	(0.1)	255.5	—	62.3	0.1	752.6
Sale of assets - TowerCo		—	—	(0.5)	—	—	—	(0.5)
Remeasurement mobile spectrum licences		4.8	—	—	—	—	—	4.8
Impairment		—	(8.2)	—	(0.2)	—	(3.5)	(11.9)
Write-off of fully amortized assets		—	0.1	(64.0)	(17.2)	(35.9)	—	(117.0)
At December 31, 2022		**720.3**	**184.2**	**1,209.7**	**170.0**	**323.1**	**33.0**	**2,640.3**
Accumulated Amortization								
At January 1, 2021		**200.4**	**138.4**	**565.9**	**114.5**	**106.6**	**5.3**	**1,131.1**
Amortization charge of the year		24.7	4.8	166.4	19.6	76.5	2.4	294.4
Write-off of fully amortized assets		(30.7)	(7.2)	(173.2)	(0.1)	(2.9)	—	(214.1)
At December 31, 2021		**194.4**	**136.0**	**559.1**	**134.0**	**180.2**	**7.7**	**1,211.4**
Amortization charge of the year		28.9	4.7	183.8	14.6	79.7	3.1	314.8
Sale of assets - TowerCo		—	—	(0.1)	—	—	—	(0.1)
Write-off of fully amortized assets		—	0.1	(64.0)	(17.2)	(35.9)	—	(117.0)
Transfers		—	—	(0.5)	—	—	—	(0.5)
At December 31, 2022		**223.3**	**140.8**	**678.3**	**131.4**	**224.0**	**10.8**	**1,408.6**
Carrying Amount								
At December 31, 2022		497.0	43.4	531.4	38.6	99.1	22.2	1,231.7
At December 31, 2021		86.3	49.1	459.2	45.0	116.5	26.9	783.0

The Company's intangible assets other than goodwill each have finite lives and are comprised primarily of network user rights, trade name, software development and acquisition costs, customer relationships, broadcasting rights, out of market component of future leases and contracts with suppliers.

The Company assesses the estimated useful lives of its finite-lived intangible assets each reporting period to determine whether events or circumstances warrant a revision of these estimated useful lives.

Additions in broadcasting rights amount to €65.2 million for 2022, which primarily relates to newly acquired sport rights for FA premier league (2022-2025) and €63.4 million for film rights.

Software additions reached €255.5 million for the year ended December 31, 2022, compared to €244.8 million for the year ended December 31, 2021. The high software-related investments represent increased investments in our customer-facing platform as well as investments in driving the customer experience and investments in a new ERP software program.

The write-off of fully amortized assets in 2022 of €80.9 million consisted mainly of fully amortized software (€64.0 million), together with Customer relationships (€17.2 million).

Mobile spectrum auction

On June 1, 2022, the BIPT (“Belgian Institute for Postal Services and Telecommunications”) initiated the auctions for new 5G spectrum (700 MHz and 3600 MHz bands) and the existing 2G and 3G spectrum (900 MHz, 1800 MHz and 2100 MHz bands) by means of a so-called “simultaneous multiple-round ascending” (“SMRA”) auction process. The auctions resulted in first instance in the allocation of "generic" frequency lots within each of the frequency bands to the respective bidders. In July 2022, the exact frequencies within each spectrum band were specified and allocated following a mutual agreement amongst the operators and approval by the BIPT.

Until the final outcome of the new spectrum auction, the BIPT extended the life of the existing 900 MHz, 1800 MHz and 2100 MHz mobile spectrum bands in use until December 31, 2022 against payments that were based on a pro rata of the unique fees related to the expired spectrum, amounting in total to €14.2 million.

The auction for the 5G 1400 MHz band was initiated on July 12, 2022 and completed on July 20, 2022 with the allocation of the specified frequencies per operator.

Following the 2022 auction procedures, Telenet obtained a license on the aforementioned 2G, 3G and 5G spectrum bands for a consideration consisting of a so-called “unique fee” and “annual fees”. The "unique fee" can be paid upfront in one single payment or in yearly installments, with the application of an interest rate calculated on a yearly basis (EURIBOR 1 year + 2%). Telenet opted for a payment in yearly installments. The “annual fee" is a spectrum availability fee and is due regardless of whether the spectrum is used or not and is subject to an annual indexation adjustment (i.e. the consumer price index).

The 2G and 3G spectrum required a new allocation amongst the respective operators, with also one new operator obtaining frequencies in these bands. The allocation of the specific frequency blocks for the 2G and 3G spectrum was finalized in July 2022, and the respective operators needed to complete the required reconfiguration of their network equipment upon which the BIPT caused the 2G and 3G spectrum licenses to enter into force and the frequency blocks to become available for use as of January 1, 2023. Consequently, the BIPT extended the existing 2G and 3G spectrum licenses which matured on September 15, 2022 until December 31, 2022. The frequency blocks within the 5G spectrum require less to no "reshuffling" amongst the operators. The 700 MHz and 3600 MHz bands became available for use as of September 1, 2022, while the 1400 MHz band will be available for use as of July 1, 2023.

The Company analyzed whether the rights acquired under the 2022 auction procedures that became available for use as of September 1, 2022 (700 MHz and 3600 MHz band) and those that will become available for use as of January 1, 2023 (900 MHz, 1800 MHz and 2100 MHz bands) and July 1, 2023 (1400 MHz band) meet the definition and recognition criteria of intangible assets under IAS 38 Intangible Assets as per December 31, 2022. Telenet concluded that the spectrum frequency rights did meet the criteria for recognition as an intangible asset as per December 31, 2022.

At the occasion of the 2022 auction procedures, the regulator also revised and aligned the nature of the existing annual fees related to the existing 4G spectrum (800 MHz and 2600 MHz bands) from a spectrum usage fee into a spectrum availability fee. In this respect, the Company recognized an intangible asset at the cash price equivalent amounting to €23.7 million.

The cash price equivalent amounts of the frequency lots awarded to Telenet at the occasion of the auction procedures, as well as the respective so-called "unique fee" and "annual fee" which were capitalized as intangible assets, can be summarized as follows:

Band	Type	Existing / New	Quantity	Positioning	Duration	Start date	Unique fee (€ in millions)	Annual Fee (*) (€ in millions)	Cash price equivalent at recognition date (€ in millions)
900 MHz	2G	Existing	2 x 10 MHz	880-890 MHz / 925-935 MHz	20 years	January 1, 2023	57.4	22.7	80.1
1800 MHz	2G	Existing	2 x 20 MHz	1765-1785 MHz / 1860-1880 MHz	20 years	January 1, 2023	69.4	24.9	94.3
2100 MHz	3G	Existing	2 x 15 MHz	1945-1960 MHz / 2135-2150 MHz	20 years	January 1, 2023	60.4	18.6	79.0
700 MHz	5G	New	2 x 5 MHz	708-713 MHz / 763-768 MHz	20 years	September 1, 2022	21.3	10.2	31.5
3600 MHz	5G	New	1 x 100 MHz	3480-3580 MHz	through May 6, 2040	September 1, 2022	55.8	10.4	66.2
1400 MHZ	5G	New	1 x 15 MHz	1457-1472 MHz	20 years	July 1, 2023	38.0	7.8	45.8
800 MHz	4G	Existing	2 x 10 MHz	832-842 MHz / 791-801 MHz	20 years	November 30, 2013	—	18.5	18.5
2600 MHz	4G	Existing	2 x 15 MHz	2535-2550 MHz / 2655-2670 MHz	15 years	July 1, 2012	—	5.2	5.2
Total recognized intangible asset							**302.3**	**118.3**	**420.6**

(*) Discounted value of the (estimated) future payments

The liability related to the annual fees was calculated based on the stated CPI known at recognition date (i.e. 6.32%). Taken into account the evolutions in the economic environment during 2022, the Company performed a reassessment of the CPI as per year-end 2022 (estimate 10.52%) in order to assess the impact of these evolutions on the currently outstanding liabilities. The increase in CPI resulted in an additional liability and corresponding asset recognized as of December 31, 2022 amounting to €4.8 million.

5.7 Investments in and loans to equity accounted investees and other investments

5.7.1 Investments in and loans to equity accounted investees

The following table shows the components of the Company's investments in and loans to equity accounted investees:

(€ in millions)	Joint Ventures (*)	Associates	Total
Investments			
At December 31, 2021	**96.2**	**11.6**	**107.8**
Impairment Eltrona	(34.3)	—	(34.3)
Impairment Streamz	(28.4)	—	(28.4)
Step acquisition of the Caviar Group	(14.4)		(14.4)
Investment Doccle	1.0	—	1.0
OCI pension equity pickup	—	0.6	0.6
Acquisitions	—	4.9	4.9
Reclassification from loans	—	3.3	3.3
At December 31, 2022	**20.1**	**20.4**	**40.5**
Share in the result			
At December 31, 2021	(2.8)	3.1	0.3
Share in the result	(3.7)	0.3	(3.4)
Impairment Eltrona	3.6	—	3.6
Impairment Streamz	6.2	—	6.2
Dividend	—	(0.2)	(0.2)
Step acquisition of the Caviar Group	(3.8)	—	(3.8)
At December 31, 2022	**(0.5)**	**3.2**	**2.7**
Loans granted			
At December 31, 2021	5.5	4.0	9.5
New loans granted	6.5	0.7	7.2
Accrued interest	0.2	—	0.2
Reclassification to investments	—	(3.3)	(3.3)
Impairment loan Streamz	(10.5)	—	(10.5)
Reclass interest	0.2	(0.2)	—
At December 31, 2022	**1.9**	**1.2**	**3.1**
Carrying Amount			
At December 31, 2022	**21.5**	**24.8**	**46.3**
At December 31, 2021	**98.9**	**18.7**	**117.6**

(*) Joint ventures include the investments in Eltrona Interdiffusion S.A.,Streamz BV, Caviar Group NV, Ads & Data NV and Doccle BV & Doccle.UP NV.

The newly acquired investments in associates during 2022 amounted to €4.9 million and included investments in June Energy, Cybernetic Walrus, Caviar Paris and Beast Productions. New loans granted to joint ventures amounted to €6.5 million and consisted out of loans to Streamz BV.

Eltrona Interdiffusion S.A.

On April 1, 2020, Eltrona Interdiffusion SA ("Eltrona"), the Luxembourg cable operator, took over, through a merger, the business of Coditel S.à.r.l. ("SFR-Lux"), a former Telenet subsidiary in Luxembourg. As a consequence, Telenet became owner of 50%-1 share in Eltrona, and the investment held qualified as a joint venture, accounted for using the equity method. The (gross) initial investment value at acquisition date amounted to €59.5 million. As per December 31, 2020, the Company had not yet completed the allocation of the cost of the investment to the Company's share of the net fair value of Eltrona's identifiable assets and liabilities. As of March 31, 2021, the allocation of the purchase price to the acquired identified net assets was finalized. The fair value adjustment mainly related to property and equipment (€19.2 million), goodwill (-€27.8 million), other intangible assets, a.o customer relationships (€15.7 million) and trade name (€1.6 million) and the deferred tax related to the aforementioned adjustments (-€7.7 million).

The result of the fair value adjustments at acquisition can be summarized as follows:

(€ in millions)	Initial IFRS opening balance sheet	Fair value adjustments	Fair value of identifiable net assets
Net assets (01/04/2020)			
Non-current assets	54.1	8.7	62.8
Current assets	23.4	—	23.4
Non-current liabilities	(4.0)	(7.7)	(11.7)
Current liabilities	(20.8)	—	(20.8)
Net assets (100%)	**52.7**	**1.0**	**53.7**
Group's share of the net assets (50%-1)			
Group's share of the net assets (50%-1)	26.4	0.5	26.9
Goodwill	33.1	(0.5)	32.6
Amount recognized as equity investment	**59.5**	**—**	**59.5**

Based on an analysis of Eltrona's new three year plan established during the fourth quarter of 2021, compared to the financial projections in the initial business case upon formation of the joint venture, the Company concluded that, as of December 31, 2021, there was objective evidence of a measurable decrease in the estimated future cash flows of the Eltrona investment and determined that this constituted a trigger for impairment testing under the guidance in IAS 28. The Company tested the investment in question for impairment in the last quarter of 2021, comparing its recoverable amount (value-in-use) against its remaining net book value, in accordance with the guidance in IAS 36 (using the cash flows from the three year plan and using a 1% growth rate in the terminal value) and applying a 9.7% pre-tax discount rate. The difference between value-in-use and the net book value of the investment in Eltrona was determined at €12.2 million. Consequently, the Company recorded a €12.2 million impairment charge in 2021. The impairment loss has been recognized in Impairment of investments in and loans to equity accounted investees in the consolidated statement of profit or loss and other comprehensive income.

On December 20, 2022, Telenet BV and the founding shareholders signed a share purchase agreement to purchase the remaining 50%+1 shares from the founding shareholders for a total purchase price of €13.0 million. As of January 2, 2023, upon closing of this transaction, Telenet owns 100% of the shares in Eltrona and obtained control. This is considered to be a step-acquisition resulting in Eltrona being consolidated by Telenet as from January 2, 2023 onwards (note 5.24.2). Compared to the downwards adjusted three-year plan established in the last quarter of 2021, Eltrona still underperformed in 2022. Following discussions between both shareholders, Telenet agreed to purchase and the family owners agreed to sell the 50%+1 shares stake based on a total equity value of Eltrona amounting to €26.0 million which was considered to be the fair value of the entity. The Company concluded that, as of December 31, 2022, based on the aforementioned, there was objective evidence of a measurable decrease in the estimated future cash flows of the Eltrona investment and determined that this constituted a trigger for impairment testing under the guidance in IAS 28. The difference between fair value and the net book value of the investment in Eltrona was determined at €30.7 million. Consequently, the Company recorded a €30.7 million impairment charge in 2022. The impairment loss has been recognized in Impairment of investments in and loans to equity accounted investees in the consolidated statement of profit or loss and other comprehensive income.

The following table summarizes the financial information of Eltrona Interdiffusion S.A as included in its own financial statements for the year ended December 31, 2022 and December 31, 2021. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in Eltrona Interdiffusion S.A.

(€ in millions)	2022	2021
Net assets		
Non-current assets	59.7	61.3
Current assets	14.5	13.8
Non-current liabilities	(6.3)	(6.1)
Current liabilities	(21.3)	(19.2)
Net assets (100%)	**46.6**	**49.8**
Group's share of the net assets (50%-1)		
Group's share of the net assets (50%-1)	23.3	24.9
Goodwill	32.6	32.6
Impairment	(42.9)	(12.2)
Carrying amount of interest in joint venture	**13.0**	**45.3**
Profit and total comprehensive income		
Revenue	30.4	30.6
Depreciation and amortization	(11.4)	(12.7)
Other income & expenses	(22.2)	(23.7)
Total comprehensive profit (100%)	**(3.2)**	**(5.8)**
Group's share of the total comprehensive income (50%-1)	**(1.6)**	**(2.9)**

Streamz BV

Streamz BV ("Streamz") is a joint venture between DPG Media and Telenet which launched a fully-fledged streaming service with local and international content. Telenet holds a stake of 50% in Streamz for a total (gross) initial investment value amounting to €28.4 million. As of September 30, 2021, the Company finalized the allocation of the cost of the investment to the Company's share of the net fair value of Streamz's identifiable assets. No elements of Streamz' assets and liabilities were subject to a fair value adjustment.

The goodwill included in the carrying value of the investment at acquisition date can be summarized as follows:

(€ in millions)	
Consideration transferred (incl. acquisition related costs)	28.4
Net assets of Streamz BV as per September 1, 2020 (50%)	11.9
Goodwill	16.5
Amount recognized as equity investment	**28.4**

Based on an analysis of Streamz' new three-year plan established during the fourth quarter of 2022, compared to the financial projections in the initial business case upon formation of the joint venture, the Company concluded that, as of December 31, 2022, there was objective evidence of a measurable decrease in the estimated future cash flows of the Streamz investment and determined that this constituted a trigger for impairment testing under the guidance in IAS 28. The Company tested the investment in question for impairment in the last quarter of 2022, comparing its recoverable amount (value-in-use) against its remaining net book value, in accordance with the guidance in IAS 36, using the cash flows from the three year plan and using a 3% growth rate in the terminal value, and applying a 10.3% pre-tax discount rate. Based on the difference between value-in-use and the net book value of the investment in Streamz, the Company recorded in 2022 a €22.2 million impairment charge on its investment and based on a liquidity analysis of Streamz BV a €10.5 million impairment charge on its outstanding loan receivable. The impairment loss has

been recognized in Impairment of investments in and loans to equity accounted investees in the consolidated statement of profit or loss and other comprehensive income.

The following table summarizes the financial information of Streamz BV for the year ended December 31, 2022 and December 31, 2021. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in Streamz BV.

(€ in millions)	2022	2021
Net assets		
Non-current assets	39.8	33
Current assets	18.5	6.2
Non-current liabilities	(21.1)	(8.1)
Current liabilities	(25.8)	(12.5)
Net assets (100%)	**11.4**	**18.6**
Group's share of the net assets (50%)		
Group's share of the net assets (50%)	5.7	9.3
Goodwill	16.5	16.5
Impairment	(22.2)	—
Carrying amount of interest in joint venture	**—**	**25.8**
Profit and total comprehensive income		
Revenue	50.7	50.4
Depreciation and amortization	(38.1)	(35.4)
Interest expense	(0.6)	(0.1)
Other income & expenses	(19.4)	(16.3)
Total comprehensive Loss (100%)	**(7.4)**	**(1.4)**
Group's share of the total comprehensive loss (50%)	**(3.6)**	**(0.7)**

On September 1, 2020, Telenet, as well as DPG Media granted each a loan to Streamz BV of €4.0 million with a duration of two years. On April 1, 2022, Telenet and DPG Media entered into a new shareholder facility agreement with Streamz in which both shareholders each made available a €10.5 million facility with maturity date March 31, 2025. The repayment of the €4.0 million under the initial loan was compensated with the first draw down of the new facility. At December 31, 2022, following separate drawdowns, the €10.5 million shareholder loan was fully drawn down by Streamz. At December 31, 2022, the Company recognized an impairment loss of €10.5 million on its outstanding loan receivable.

At December 31, 2022, the carrying amount of the investment was reduced to zero (December 31, 2021: €25.8 million). Telenet's share in the result for the twelve months ended December 31, 2022 amounted to -€3.6 million (for the period ended December 31, 2021: -€0.7 million).

Unit-T

On April 26, 2018 Telenet BV and Solutions 30 Group, a leading provider in Europe of solutions for new technologies, signed an agreement to create a new associate ("Unit-T") which provides field services (including installation, repair and maintenance) to Telenet and potentially other companies in the market. The associate was established on July 1, 2018 by consolidating Telenet's field service business and Janssens Field Services ("JFS") which is a business held by the associate-partner Solutions 30. JFS provides services and logistics in Telecom, Security, Utilities and ICT markets and has been one of Telenet's field service providers.

Doccle BV / Doccle.Up NV

Doccle is a digital platform enabling producers and consumers to securely store documents and perform administrative tasks. Until June 30, 2021, (i) CM (a health insurance fund), (ii) Acerta (a payroll office), and (iii) Telenet each held a stake of 33% in the JV.

Each of the venturers were also customers of Doccle as they use the platform to organize the communication with and store documents for their customers.

Both other venturers (CM and Acerta) indicated their intention to step out of the JV, upon which all parties entered into a share purchase agreement on February 26, 2021. Following this agreement, CM and Acerta both sold their shares to Telenet at closing date, being July 1, 2021, upon which Telenet became temporarily 100% shareholder. Following this exit, the Company intended to restructure the existing 33%-33%-33% JV into a 50%-50% joint venture with Isabel Group. On June 10, 2021, Telenet and Isabel Group entered into an SPA whereby Isabel Group would purchase 50% of the shares in the JV. On November 19, 2021, Telenet and Isabel Group NV received the unconditional approval from the Belgian Competition Authority for the entry of Isabel Group for 50% in the ownership of Doccle BV and Docle.Up NV. The closing of the deal and sale of the shares to Isabel Group occurred on November 30, 2021. The aforementioned transactions resulted in the recognition of a €0.7 million gain in 2021.

At December 31, 2022, the Company’s investment in and loans granted to, as well as Telenet's share in the result of the JV can be summarized as follows:

(€ in millions)	Doccle BV	Doccle.Up NV	TOTAL
Equity investment (book value)	2.7	3.1	5.8
Loans receivable	1.0	0.5	1.5
Share in the result for the twelve months ended December 31, 2022	(0.1)	(0.1)	(0.2)

Caviar Group

On May 3, 2021, Telenet Group NV completed the acquisition of a 49% stake in Caviar Group NV and 6320 Canal SA (jointly referred to as “Caviar” or the "Caviar Group") for a purchase price of €14.4 million. The Caviar Group is a worldwide entertainment and audio-visual content production group active in Europe and the United States.

The 49% investment in Caviar Group qualified as a joint venture and was accounted for using the equity method. As per December 31, 2021, the Company had not yet completed the allocation of the cost of the investment to the Company's share of the net fair value of Caviar Group's identifiable assets and liabilities. As of March 31, 2022, the allocation of the purchase price to the acquired identified net assets was finalized. The fair value adjustments mainly related to intangible assets (including customer relationships (€10.3 million), trade name (€8.5 million), TV & film formats (€2.2 million) and other intangible assets €(0.5) million) and the deferred tax related to the aforementioned adjustments (€5.2 million).

(€ in millions)	Initial IFRS opening balance sheet	Fair value adjustments	Fair value of identifiable net assets
Net assets (03/05/2021)			
Non-current assets	2.7	20.5	23.2
Current assets	22.0	—	22.0
Non-current liabilities	(4.2)	(5.2)	(9.4)
Current liabilities	(18.9)	—	(18.9)
Net assets (100%)	**1.6**	**15.3**	**16.9**
Group's share of the net assets (49%)			
Group's share of the net assets (49%)	0.8	7.5	8.3
Goodwill	13.6	(7.5)	6.1
Amount recognized as equity investment	**14.4**	**—**	**14.4**

On September 23, 2022, Telenet Group NV entered into an agreement with the other shareholders of Caviar Group by virtue of which it increased its stake to 70% on October 3, 2022, and as a consequence of which it acquired control (see note 5.24.1).

The following table summarizes the financial information of Caviar Group. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in Caviar Group.

(€ in millions)		
Net assets		2021
Non-current assets		23.4
Current assets		32.2
Non-current liabilities		(9.9)
Current liabilities		(24.4)
Net assets (100%)		**21.3**
Group's share of the net assets (49%)		
Group's share of the net assets (49%)		10.5
Goodwill		6.1
Carrying amount of interest in joint venture		**16.6**
Profit and total comprehensive income	(01/01/2022 - 10/03/2022)	(05/03/2021 - 12/31/2021)
Revenue	134.3	97.1
Depreciation and amortization	(0.4)	(0.4)
Interest expense	(0.1)	(0.1)
Other income & expenses	(130.6)	(92.0)
Total comprehensive income (100%)	**3.2**	**4.6**
Group's share of the total comprehensive income (49%)	**1.6**	**2.2**

Cybernetic Walrus

Prior to entering into an equity investment, Telenet Group NV, together with other investors, granted Cybernetic Walrus BV a convertible loan in August 2022 of which €0.3 million was granted by Telenet Group NV. Cybernetic Walrus BV is active as a game and virtual reality developer. On December 15, 2022 all parties having granted the convertible loan converted their loan into share capital by means of a contribution in kind against issuance of newly created ordinary shares in Cybernetic Walrus BV. Telenet Group NV thus contributed its loan receivable for a total amount of €0.3 million and obtained a 24.88% stake in the share capital of Cybernetic Walrus BV.

June Energy

On August 8, 2022, Telenet Group NV entered into a partnership with June Energy NV, a provider of innovative digital solutions that provide insight into the energy consumption of consumers. June Energy NV also offers the opportunity to help other companies to give their customers personal and targeted advice on energy rates and consumption. In first instance, Telenet Group NV acquired 291,971 shares from the founders for a total amount of €0.4 million, paid in cash. Immediately following this acquisition, Telenet Group NV performed a capital increase in June Energy NV for an amount of €3.0 million in consideration of 2,189,781 newly created shares. As a result of both transactions, Telenet Group NV obtained a 26.56% stake in June Energy NV.

5.7.2 Other investments

Belgian Mobile ID

In 2016, Telenet acquired an initial €1.8 million investment in Belgian Mobile ID NV, a company offering secure mobile identification. Telenet subsequently increased its investment through a number of capital contributions, and the carrying value of the investment at December 31, 2022 amounts to €6.6 million.

Imec.istart Fund

In 2017, Telenet acquired an initial €0.2 million investment in Imec.istart Fund, an organization that invests in pre-seed and seed stage opportunities in privately held technology companies. Telenet subsequently increased its investment through a number of capital contributions, and the carrying value of the investment at December 31, 2022 amounts to €1.1 million.

5.8 Current trade receivables

(€ in millions)	December 31, 2022	December 31, 2021
Trade receivables	199.9	183.4
Less: allowance for bad debt	(9.6)	(9.1)
Trade receivables, net	**190.3**	**174.3**

At December 31, 2022 and 2021, respectively, the aging of the Company's current trade receivables can be detailed as follows:

		Past due					
(€ in millions)	Not due	1-30 days	31-60 days	61-90 days	91-120 days	>120 days	Total
December 31, 2022	125.0	40.5	6.6	4.0	2.8	21.0	199.9
December 31, 2021	125.8	34.1	3.8	3.3	1.9	14.5	183.4

Current trade receivables increased by €16.5 million, which is primarily driven by the consolidation of Caviar group (€10.5 million).

All invoices related to residential customers are due within 15 days. Invoices related to BASE residential mobile customers are due within 8 to 12 days. For other clients, the payment due date is set at 30 or 60 days. At December 31, 2022, a total amount of €74.9 million (2021: €57.6 million) was past due.

The Company recognizes loss allowances for ECLs in conformity with IFRS 9. Based on the necessary and appropriate underlying aging documentation of the outstanding receivables, and the history of amounts written off to profit and loss related to the respective billing periods, the Company determines an actual loss rate which is used as expected credit loss and is applied on the aging buckets of the outstanding receivables.

The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Company believes there is no further credit provision required in excess of the allowance for doubtful debts.

The following table shows the development of the provision for impairment of trade receivables:

(€ in millions)	December 31, 2022	December 31, 2021
Provision for impairment of trade receivables at the beginning of the year	(9.1)	(6.5)
Additions	(1.2)	(5.1)
Reversals and write-offs	0.7	2.5
Provision for impairment of trade receivables at the end of the year	**(9.6)**	**(9.1)**

When a trade receivable is uncollectible, it is written off against the provision for impairment of trade receivables. Impairment losses of trade receivables have been included in cost of services provided in the consolidated statement of profit or loss and other comprehensive income.

The Company holds receivables in foreign currency for the amount of USD 6.8 million (note 5.3.4). In application of IFRS 9, the Company recognizes loss allowances for expected credit losses on its trade receivables, unbilled revenue and contract assets.

5.9 Other assets

5.9.1 Non-current

(€ in millions)	Note	December 31, 2022	December 31, 2021
Outstanding guarantees to third parties for own liabilities (cash paid)		1.5	1.7
Deferred financing fees		2.5	3.2
Contract assets	5.19	1.3	1.2
Surplus of post retirement plan assets	5.17	9.0	9.3
Non-current lease receivable		2.4	3.2
Other		5.7	5.1
Other non-current assets		**22.4**	**23.7**

Non-current assets decreased by €1.3 million, which is primarily driven by the decrease in i) deferred financing fees (decrease of €0.7 million) and ii) non-current lease receivable (decrease of €0.8 million).

The Company presents the deferred financing fees related to undrawn Term Loans and Revolving Credit Facilities as other non-current assets. At December 31, 2022, the Revolving Credit Facility I was undrawn.

The lease receivables are related to certain customized equipment offerings to business customers which qualify as manufacturer or dealer leases.

The contract assets amounting to €1.3 million at December 31, 2022 are mainly related to multiple element arrangements.

The outstanding guarantees consist of amounts paid towards third parties for the Company's liabilities at December 31, 2022.

5.9.2 Current

(€ in millions)	Note	December 31, 2022	December 31, 2021
Recoverable withholding taxes		0.1	0.3
Prepaid content		8.3	4.7
Prepayments		45.3	40.9
Unbilled revenue		78.0	59.1
Working capital adjustment from sale of assets		7.1	—
Indemnification receivable from acquisitions	5.3.2	17.0	15.1
Contract assets	5.19	7.0	6.2
Settlement receivables		0.2	0.6
Current lease receivable		1.8	1.9
Other		5.5	6.9
Other current assets		**170.3**	**135.7**

Prepaid content increased by €3.6 million which is mainly related to an increase in the current programming inventory of Woenstijnvis.

Prepayments increased by €4.4 million which is mainly related to an increase in IT maintenance costs and cyber security costs.

Unbilled revenue generally represents revenue for which the Company has already provided a service or product and has a right to invoice in accordance with the customer agreement but for which the customer has not yet been invoiced and thus relate to unconditional rights to receivables and are not to be considered contract assets. The outstanding balance for unbilled revenue increased by €18.9 million for the year ended December, 31, 2022 which is mainly driven by accrued income from Caviar, which was not included in the comparative period.

Indemnification receivables from acquisitions amounted to €17.0 million and consist mainly of amounts receivable from KPN related to Pylon taxes (€16.6 million)(see note 5.18.2).

The contract assets amounting to €7.0 million are mainly related to accrued revenue related to multiple element arrangements.

5.10 Inventories

For the year ended December 31, 2022, inventories amounted to €28.2 million (December 31, 2021: €26.5 million) consisting of mobile handsets, tablets and other telephony and internet related customer premise equipment.

The net book value of inventories also includes inventory impairments to reduce the carrying values to the net realizable value. These inventory impairments amounted to €2.0 million and €1.2 million as at December 31, 2022 and 2021, respectively.

For the year ended December 31, 2022, the Company recognized €117.8 million (December 31, 2021: €103.0 million) as “costs related to sold inventory”.

5.11 Cash and cash equivalents

(€ in millions)	December 31, 2022	December 31, 2021
Cash at bank and on hand	93.1	44.5
Money market funds	971.3	95.0
Total cash and cash equivalents	**1,064.4**	**139.5**

At December 31, 2022, the Company held €1,064.4 million of cash and cash equivalents compared to €139.5 million at December 31, 2021. The robust year-on-year increase in the Company's cash balance reflects the sale of its mobile tower business to DigitalBridge in early June 2022.

In order to minimize the concentration of counterparty risk and to enhance the yield on its cash balance, the Company has invested the vast majority throughout a range of money market funds with highly rated European and US financial institutions.

At December 31, 2022 and 2021 and subject to compliance with certain covenants, the Company had access to the following liquidity:

(€ in millions)	December 31, 2022	December 31, 2021
Available commitment under Revolving Credit Facility I	510.0	510.0
Available commitment under Revolving Credit Facility	20.0	20.0
Total cash and cash equivalents[1]	**530.0**	**530.0**

[1] Excluding €25.0 million available under the banking overdraft facility

5.12 Shareholders' equity

5.12.1 Shareholders' equity

On December 31, 2022 Telenet Group Holding NV had the following shares issued, all without par value and all of which are treated as one class in the earnings per share calculation:

112,110,000 ordinary shares (December 31, 2021: 113,841,819 shares), including:

- 94,843 Liquidation Dispreference Shares (December 31, 2021: 94,843 shares), held by Interkabel and Binan Investments B.V. (a subsidiary of Liberty Global Plc), which have the same rights as the ordinary shares except that they are subject to an €8.02 liquidation dispreference, such that in any liquidation of Telenet Group Holding NV the Liquidation Dispreference Shares would only participate in the portion of the proceeds of the liquidation that exceed €8.02 per share. Liquidation Dispreference Shares may be converted into ordinary shares at a rate of 1.04 to 1; and
- 30 Golden Shares (December 31, 2021: 30 shares) held by the intermunicipalities. The intermunicipalities, currently holding the Golden Shares are: Fluvius Antwerpen, Intergem, IKA, Iverlek, Imewo and Gaselwest. These have the same rights as the ordinary shares and also give their holders the right to appoint representatives to the Regulatory Board, which oversees the public interest guarantees related to Telenet's offering of digital television.

On April 27, 2022 and December 6, 2022, the Extraordinary and General Shareholders' Meeting approved the cancellation of 1,100,000 and 631,819 shares respectively. These shares were acquired by the Company under the Company's past and closed share repurchase programs. Following the cancellation of these shares, the total number of outstanding shares decreased from 113,841,819 to 112,110,000. The loss on the cancellation of the own shares amounted to €71.2 million and was recognized in equity.

As of December 31, 2022, the Company's share capital amounted to €12.8 million (December 31, 2021: €12.8 million). At the extraordinary meeting of shareholders of April 27, 2022, the powers of the board of directors in connection with the authorized capital were renewed (maximum amount of €5.0 million).

Own shares

Share Repurchase Program

On October 28, 2021, the Company announced the initiation of a €45.0 million share repurchase program (the "Share Repurchase Program 2021"). Under this Repurchase Program, Telenet could repurchase from time to time up to 1.1 million shares for a maximum consideration of €45.0 million until February 28, 2022. This program was funded with the Company's existing cash balances.

Under this program, 435,709 shares were repurchased in 2021 and 664,291 shares in 2022 for an amount of €13.5 million and €21.9 million respectively. With this repurchase, the Company completed the aforementioned share buy-back program.

Own shares

No stock options were exercised during the twelve months ended December 31, 2022. As a consequence of the vesting and settlement in own shares in 2022 of the:

- Performance Share Plan 2019,
- Restricted Share Plan 2020,
- Restricted Share Plan 2021 and,
- Compensation Restricted Share Plan May 2022,

the Company delivered in total 216,024 own shares to the beneficiaries involved, resulting in a loss of €8.9 million which was recognized directly in equity. Following the repurchase of 664,291 shares in 2022 and the cancellation of 1,731,819 own shares (cancellation of 1,100,000 own shares on April 27, 2022 and 631,819 own shares on December 6, 2022), the Company held 3,500,526 own shares as of December 31, 2022.

Dividends

On April 28, 2022, the Annual Shareholders' Meeting approved a gross final dividend over 2021 of €1.375 per share, amounting in total to €149.0 million for 108,393,647 dividend-entitled shares. The effective cash payment of the dividend occurred on May 4, 2022.

The board of directors has decided to propose to the Annual Shareholders' Meeting in April 2023 to approve the payment of a gross final dividend of €1.0 per share (€108.6 million in total). The proposed dividend will be paid using existing cash and cash equivalents and is in line with the Company's reset dividend floor of €1.0 per share (gross). If approved by shareholders, the dividend will be paid in early May 2023.

5.12.2 Employee share based compensation

Employee Stock Option Plan 2017

On March 20, 2017, the board of directors approved Telenet's General Stock Option Plan 2017 for the Company's Senior Leadership, one other manager and the Company's CEO for a total number of 553,292 stock options on existing shares (the "**Employee Stock Option Plan 2017**" or"**ESOP 2017**"). Each of these stock options entitled the holder thereof to purchase from the Company one existing share of the Company.

The grant of these 553,292 stock options, with an exercise price of €58,14 per stock option, occurred on June 8, 2017. On June 30, 2017 a total of 403,266 stock options were accepted.

The vesting of the stock options under the ESOP 2017 occurred 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.

No stock options under the ESOP 2017 were exercised during the year ended December 31, 2022. The contractual term to exercise the ESOP 2017 stock options expired on June 7, 2022. As a result, the 365,640 stock options that were outstanding and unexercised at that date expired and consequently there are no longer outstanding stock options under this plan.

Employee Stock Option Plan 2017 bis

On July 31, 2017, the board of directors approved a new general stock option plan for the employees for a total number of 753,109 stock options on existing shares, under the condition of approval and within the limits of the authorized capital as approved by the general shareholders' meeting of April 26, 2017 (the "**Employee Stock Option Plan 2017 bis**" or "**ESOP 2017 bis**"). Each of these stock options entitled the holder thereof to purchase from the Company one existing share of the Company.

On September 25, 2017, the board of directors authorized a grant under this plan to certain beneficiaries. On November 24, 2017, a total of 413,664 stock options, with an exercise price of €55.59 per stock option, were accepted.

The vesting of these stock options occurred per quarter and over 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% during each of the following quarters.

No stock options under the ESOP 2017 bis were exercised during the year ended December 31, 2022. The contractual term to exercise the ESOP 2017 stock options expired on September 25, 2022. As a result, the 386,893 stock options that were outstanding and unexercised at that date expired and consequently there are no longer outstanding stock options under this plan.

Employee Stock Option Plan 2018

On March 19, 2018, the board of directors approved Telenet's General Stock Option Plan 2018 for the Company's Senior Leadership, the Company's CEO and certain employees for a total number of 1,402,903 stock options on existing shares (the "**Employee Stock Option Plan 2018**" or"**ESOP 2018**"). Each of these stock options entitles the holder thereof to purchase from the Company one existing share of the Company.

The grant of these 1,402,903 stock options, with an exercise price of €42.72 per stock option, occurred on June 6, 2018. On June 30, 2018, a total of 604,021 stock options were accepted. While the CEO, who had time till August 1 2018, accepted the 204,942 granted options in full on August 1, 2018.

The vesting of the stock options under the ESOP 2018 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.

No stock options under the ESOP 2018 were exercised during the year ended December 31, 2022.

Employee Stock Option Plan 2018 bis

On October 30, 2018, the board of directors approved a new general stock option plan for the new chief financial officer for a total number of 53,781 stock options on existing shares, under the condition of approval and within the limits of the authorized capital as approved by the general shareholders' meeting of April 26, 2017 (the "**Employee Stock Option Plan 2018 bis**" or "**ESOP 2018 bis**"). These were offered to the beneficiary on November 2, 2018. Each of these stock options entitles the holder thereof to purchase from the Company one existing share of the Company. On December 12, 2018, a total of 53,781 stock options, with an exercise price of €44.62 per stock option were accepted.

The vesting of these stock options occurs per quarter and over 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% during each of the following quarters.

No stock options under the ESOP 2018 bis were exercised during the year ended December 31, 2022.

Employee Stock Option Plan 2019

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 stock options were accepted.

The vesting of these stock options occurs per quarter and over 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% during each of the following quarters.

No stock options under the ESOP 2019 were exercised during the year ended December 31, 2022.

Employee Stock Option Plan 2020

On March 16, 2020, 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 2020**" or "**ESOP 2020**"). Each of these stock options entitles the holder thereof to purchase from the Company one existing share of the Company.

On May 11, 2020, the board of directors authorized a grant under this plan to certain beneficiaries with an exercise price of €35.17. On June 23, 2020, a total of 1,009,087 of the 1,140,955 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.

No stock options under the ESOP 2020 were exercised during the year ended December 31, 2022.

The details regarding the stock option plans issued by the Company and still outstanding at December 31, 2022 are summarized in the table below:

	Issuance of stock options			Stock options granted			
Stock Option Plan	**Date approved by the board of directors**	**Total number of stock options issued**	**Name of the grant**	**Date offered**	**Number of stock options offered**	**Number of stock options accepted**	**Beneficiaries**
ESOP 2018 Stock Options	March 19, 2018	1,402,903	ESOP 2018	June 6, 2018	1,197,961	604,021	certain employees
			CEO ESOP 2018	June 6, 2018	204,942	204,942	CEO
ESOP 2018 bis Stock Options	October 30, 2018	53,781	ESOP 2018 bis	November 2, 2018	53,781	53,781	certain employee
ESOP 2019 Stock Options	February 11, 2019	808,724	ESOP 2019	May 6, 2019	808,724	713,286	CEO and certain employees
ESOP 2020 Stock Options	March 16, 2020	1,140,955	ESOP 2020	May 11, 2020	1,140,955	1,009,087	CEO and certain employees

The fair value of the stock options is determined using the Black-Scholes pricing model which is based on the following variables:

- the expected term (life) of the option
- the volatility of the underlying share price
- the type of option
- the underlying stock price
- the strike price
- the expected dividend, and
- the risk-free rate

The Company considers historical exercise trends in its calculation of the expected life of stock options granted. The risk free interest rate is based on the return of the Belgian government loans on the secondary market. The expected volatility for stock options is generally based on historical volatilities on past Telenet stock quotes for a period equal to the expected average life of the options. The expected dividend is based on the shareholders' remuneration policy of the Company.

The grant dates for accounting purposes, as well as the underlying assumptions for determining the grant date fair value can be summarized as follows:

	Grant date (for accounting purposes)	Fair value at grant date (in euro)	Share price at grant date (in euro)	Exercise price (in euro)		Expected volatility	Expected option life	Expected dividends	Risk-free interest rate
				Initially	Adjusted				
ESOP 2018 Stock Options	June 30, 2018	4.01 - 5.99	40.00	42.72	37.91	20.7% - 22.4%	4.3 years	0.0%	-0.54% - -0.37%
CEO ESOP 2018 Stock Options	August 1, 2018	7.70 - 9.03	43.90	42.72	37.91	23.3% - 24.3%	4.4 years	0.0%	-0.48% - -0.20%
ESOP 2018 bis Stock Options	December 12, 2018	2.29 - 3.01	39.70	44.62	—	24.6% - 25.6%	4.3 years	5.2%	-0.45% - -0.16%
ESOP 2019 Stock Options	June 24, 2019	5.50 - 5.95	48.80	46.54	—	24.4% - 25.9%	4.3 years	4.3%	-0.66% - -0.53%
ESOP 2020 Stock Options	June 23, 2020	4.48 - 5.61	37.44	35.16	—	28.8% - 34.5%	4.3 years	6.2%	-0.57% - -0.50%

All plans

A summary of the activity in the Company's stock option plans for the years ended December 31, 2022, and 2021 is as follows:

	Outstanding Stock Options	
	Number of stock options	**Average Exercise Prices (in euro)**
January 1, 2021	**4,143,039**	**41.21**
Forfeited		
Stock Option Plan 2017 stock options forfeited	(50,395)	51.60
Stock Option Plan 2017 bis stock options forfeited	(51,284)	49.34
Stock Option Plan 2018 stock options forfeited	(8,919)	37.91
Stock Option Plan 2019 stock options forfeited	(3,875)	46.54
Stock Option Plan 2020 stock options forfeited	(13,557)	35.17
Expired		
Stock Option Plan 2016 stock options expired	(518,475)	40.36
Stock Option Plan 2016 bis stock options expired	(268,185)	41.68
December 31, 2021	**3,228,349**	**41.04**
Forfeited		
Stock Option Plan 2018 stock options forfeited	(77,266)	37.91
Stock Option Plan 2019 stock options forfeited	(5,990)	46.54
Stock Option Plan 2020 stock options forfeited	(28,027)	35.17
Expired		
Stock Option Plan 2017 stock options expired	(365,640)	51.60
Stock Option Plan 2017 bis stock options expired	(386,893)	49.34
December 31, 2022	**2,364,533**	**38.21**

No stock options have been exercised during the year ended December 31, 2022 and December 31, 2021. No stock options have been granted during the year ended December 31, 2022. The following table summarizes information about stock options outstanding and exercisable as of December 31, 2022:

Class of options	Number of options outstanding	Number of options exercisable	Weighted average remaining contractual life	Current exercise prices (in euro)
ESOP 2018 stock options	691,047	691,047	5 months	37.91
ESOP 2018 bis stock options	53,781	53,781	10 months	44.62
ESOP 2019 stock options	654,675	594,733	16 months	46.54
ESOP 2020 stock options	965,030	690,616	28 months	35.17
Total outstanding	**2,364,533**	**2,030,177**		

Total compensation expense associated with the Company's stock option plans amounted to €1.6 million in 2022 (2021: €3.8 million) which is included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income and which are partly reflected in equity (€0.8 million) and partly as a liability (€0.8 million) in the consolidated statement of financial position.

Performance shares

On November 5, 2018, the Company granted its Senior Leadership Team members (including its chief executive officer) and one other manager a total of 60,082 performance shares (the "**2018 Telenet Performance Shares**”). The performance target applicable to the 2018 Telenet Performance Shares was the achievement of an Adjusted EBITDA CAGR (under US GAAP), when comparing Adjusted EBITDA during the period beginning on January 1, 2018 and ending on December 31, 2020 to the Adjusted EBITDA for the period that began on January 1, 2017 and ended on December 31, 2017. A performance range of 75% to 130% of the target Adjusted EBITDA CAGR would generally result in award recipients earning 75% to 200% of their 2018 Telenet Performance Shares, subject to reduction or forfeiture based on individual performance and service requirements. The earned 2018 Telenet Performance Shares vested on November 5, 2021. Compensation expenses attributable to the 2018 Telenet Performance Shares were recognized over the requisite service period of the awards and are included in compensation expense in Telenet’s consolidated statement of profit or loss and other comprehensive income. On February 2, 2021, the Remuneration and Nomination Committee decided that the performance criteria for the 2018 Telenet Performance Shares had been achieved, and therefore, the earned 2018 Telenet Performance Shares vested at 85% on November 5, 2021. This performance share plan was paid out in shares on a net basis.

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 was the achievement of an Adjusted EBITDA less property & equipment additions CAGR (under US GAAP), when comparing the Adjusted EBITDA less property & equipment additions during the period beginning on January 1, 2019 and ending on December 31, 2021 to the Adjusted EBITDA less property & equipment additions for the period that began on January 1, 2018 and ended on December 31, 2018. A performance range of 50% to 122% of the target Adjusted EBITDA less property & equipment additions 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. On February 3, 2022, the Remuneration and Nomination Committee decided that the performance criteria for the 2019 Telenet Performance Shares had been achieved, and therefore, the earned 2019 Telenet Performance Shares vested at 92% on May 6, 2022. This performance share plan was paid out in shares on a net basis.

On May 11, 2020, the Company granted its CEO, Senior Leadership Team and a selected number of employees a total of 159,367 performance shares (the "**2020 Telenet Performance Shares**"). On June 23, 2020, a total of 156,981 of the 159,367 offered performance shares were accepted. The performance target applicable to the 2020 Telenet Performance Shares is the achievement of an Adjusted EBITDA less property & equipment additions CAGR (under US GAAP), when comparing the Adjusted EBITDA less property & equipment additions during the period started as of January 1, 2020 and ending on December 31, 2022 to the Adjusted EBITDA less property & equipment additions for the period started on January 1, 2019 and ended on December 31, 2019. A performance range of -0.3% to +0.3% of the target Adjusted EBITDA less property & equipment additions CAGR would generally result in award recipients earning 50% to 150% of their 2020 Telenet Performance Shares, subject to reduction or forfeiture based on individual service requirements. The earned 2020 Telenet Performance Shares will vest on May 11, 2023. Compensation costs attributable to the 2020 Telenet Performance Shares are recognized over the requisite service period of the awards and are included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income.

On August 4, 2021, the Company granted its CEO, Senior Leadership Team and a selected number of employees a total of 298,183 performance shares (the "**2021 Telenet Performance Shares**"). On September 24, 2021, all 298,183 offered performance shares were accepted. The performance target applicable to the 2021 Telenet Performance Shares is the achievement of certain financial targets, such as EBITDA CAGR (under US GAAP) and an Adjusted EBITDA less property & equipment additions CAGR (under US GAAP), when comparing the EBITDA and Adjusted EBITDA less property & equipment additions during the period started as of January 1, 2021 and ending on December 31, 2023 to the EBITDA and Adjusted EBITDA less property & equipment additions for the period started on January 1, 2020 and ended on December 31, 2020. A performance range of +0.9% to +2.7% of the EBITDA CAGR would generally result in award recipients earning 50% to 150% of their 2021 Telenet Performance Shares. A performance range of -6.0% to -2.0% of the target Adjusted EBITDA less property & equipment additions CAGR would generally result in award recipients earning 50% to 150% of their 2021 Telenet Performance Shares, subject to reduction or forfeiture based on individual service requirements. Besides the aforementioned financial performance criteria, also four non-financial targets were determined that impact the vesting of the granted performance shares under this plan. The earned 2021 Telenet Performance Shares will vest on August 4, 2024. Compensation expenses attributable to the 2021 Telenet Performance Shares are recognized over the requisite service period of the awards and are included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income.

On August 4, 2021, the Company granted its CEO a total of 127,710 performance shares (the "**2021 CEO Telenet Performance Shares**"). On September 24, 2021, all 127,710 offered performance shares were accepted. The performance target applicable to the 2021 Telenet Performance Shares is the achievement of the same financial targets as mentioned under the 2021 Telenet Performance Shares plan. In addition to these financial targets, five non-financial targets were determined that impact the vesting of the granted performance shares under this particular plan. The earned 2021 CEO Telenet Performance Shares will vest on August 4, 2024. Compensation expenses attributable to the 2021 CEO Telenet Performance Shares are recognized over the requisite service period of the awards and are included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income.

In 2022, Telenet recognized a credit of €3.6 million to compensation expense in respect of the Telenet Performance Shares plans (2021: €7.8 million) which is included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income and which is partly reflected in equity (-€0.2 million) and partly as a liability (-€3.4 million) in the consolidated statement of financial position. The decrease can be explained by a decrease of the stock price, used for calculating the accrual of withholding tax and social security charges, an adjustment of the expected vesting percentage and no performance shares plan granted for 2022.

Restricted shares

On May 6, 2019, the Company granted certain key management personnel 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 occurred 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, 2022 and May 6, 2023.

On May 11, 2020, the Company granted certain key management personnel a total of 129,144 restricted shares (the "**2020 Telenet Restricted Shares**"). On June 23, 2020, a total of 113,876 of the 129,144 offered restricted shares were accepted. The vesting of these restricted shares occurred annually over a period of 2 years, with a vesting of 40% of the restricted shares granted on May 11, 2021 and a vesting of 60% on May 11, 2022, 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 11, 2023 and May 11, 2024. Compensation expenses attributable to the 2020 Telenet Restricted Shares are recognized over the requisite service period of the awards and are included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income.

On August 4, 2021, the Company granted certain key management personnel a total of 155,065 restricted shares (the "**2021 Telenet Restricted Shares**"). On September 24, 2021, all of the 155,065 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 August 4, 2022 and a vesting of 60% on August 4, 2023, 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 August 4, 2024 and August 4, 2025. Compensation expenses attributable to the 2021 Telenet Restricted Shares are recognized over the requisite service period of the awards and are included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income.

On August 1, 2022, the Company granted certain key management personnel a total of 526,317 restricted shares (the "**2022 Telenet Restricted Shares**"). On September 23, 2022, a total of 524,695 of the 526,317 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 August 1, 2023 and a vesting of 60% on August 1, 2024, 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 August 1, 2025 and August 1, 2026. Compensation expenses attributable to the 2022 Telenet Restricted Shares are recognized over the requisite service period of the awards and are included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income.

As a consequence of the established formal dividend policy, the Company's share price is affected at the moment of a dividend pay-out. The Company decided to redress for the negative impact of such a downwards adjustment to the Company's share price for the beneficiaries of long term incentive plans. The holders of vested and unvested stock options, unvested performance shares and unvested restricted shares have been granted Compensation Restricted Shares in May 2022 (the "**2022 Telenet Compensation**

Restricted Shares"). Similar Compensation Restricted Shares were granted in May 2021 and December 2021, immediately vesting upon grant date, being May 10 and December 8, 2021.

These Compensation Restricted Shares immediately vested upon grant and were settled in shares by the Company at the same time. The Compensation Restricted Share Plans do not contain any service requirement and as a consequence, the compensation expense related to these plans was integrally recognized on the grant date being May 4, 2022.

Total compensation expense associated with the Company's restricted shares plans amounted to €11.2 million in 2022 (2021: €16.7 million) which is included in compensation expense in Telenet's consolidated statement of profit or loss and other comprehensive income and which is partly reflected in equity (€6.0 million) and partly as a liability (€5.2 million) in the consolidated statement of financial position. The decrease in compensation expense associated with the Company's restricted shares plans can be largely explained by the Compensation Restricted Shares which were granted in May 2022, while in 2021 these were granted in both May and December 2021.

5.13 Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortized cost. For more information about the Company's exposure to risks, including interest rate and liquidity risk, see note 5.3.

The balances of loans and borrowings specified below include accrued interest and debt premiums or discounts as of December 31, 2022 and 2021.

(€ in millions)	December 31, 2022	December 31, 2021
2020 Amended Senior Credit Facility:		
Term Loan AR	2,145.4	2,013.6
Term Loan AQ	1,123.7	1,121.8
Senior Secured Fixed Rate Notes:		
USD 1,000 million Senior Secured Notes due 2028	958.0	900.6
€600 million Senior Secured Notes due 2028	548.7	548.7
Revolving Credit Facility	1.1	1.1
Nextel Credit Facility	0.2	0.4
SFR network right of use	3.6	3.8
Vendor financing	350.1	349.4
Lease obligations	987.7	520.9
Mobile Spectrum	399.7	—
TowerCo other debt	9.0	—
Clientele fee > 20 years	128.5	125.6
Renting debt	0.2	0.9
Other debt Connectify & U-Cast	0.7	0.8
Other debt Caviar	5.0	—
	6,661.6	**5,587.6**
Less: deferred financing fees	(6.7)	(8.5)
	6,654.9	**5,579.1**
Less: current portion	(535.4)	(498.8)
Total non-current loans and borrowings	**6,119.5**	**5,080.3**

As of December 31, 2022 and 2021, all loans and borrowings were denominated in € except for Term Loan AR and the USD 1,000 million Senior Secured Notes due 2028, which are denominated in USD. Fixed interest rates applied to 31.2% of the total loans and borrowings at December 31, 2022 (December 31, 2021: 31.1%). The weighted average interest rates at December 31, 2022, were 3.36% on fixed rate loans (December 31, 2021: 3.36%) and 3.07% on floating rate loans (December 31, 2021: 3.04%).

5.13.1 2020 Amended Senior Credit Facility

During the year ended December 31, 2020, Telenet finalized several (re)financing transactions. In January 2020, Telenet issued and priced a new 8.25-year USD 2,295 million Term Loan ("**Facility AR**") and a new 9.25-year €1,110 million Term Loan ("**Facility AQ**"). Telenet used the net proceeds of these issuances to redeem in full the previous Term Loans AN and AO of USD 2,295 million and €1,110 million, respectively.

In April 2020, Telenet issued a new 6.2-year €510.0 million revolving credit facility, replacing the former €460.0 million revolving credit facilities with certain availabilities up to June 2023. The new RCF has the following characteristics: (i) maturity of May 31,

2026, (ii) a margin of 2.25% over EURIBOR (floored at 0%) and (iii) a commitment fee of 40% of the margin. The new RCF can be used for general corporate purposes, which may include acquisitions, distributions to shareholders and general working capital requirements of the Company.

In December 2020, Telenet extended its €20.0 million bilateral Revolving Credit Facility by another five years to September 30, 2026. The applicable margin under the extended facility has been determined at 2.25% over EURIBOR (floored at 0%), representing the same margin as under Telenet's €510.0 million Revolving Credit Facility I which also matures in 2026. The extended facility can customarily be used for general corporate purposes.

5.13.2 Senior Secured Notes

In December 2017, Telenet issued €600.0 million and USD 1.0 billion Senior Secured Fixed Rate Notes due 2028 at par. The Notes will mature on March 1, 2028 and carry a fixed coupon of 3.50% and 5.50%, for the €-denominated Notes and USD-denominated Notes, respectively.

In April 2020, Telenet through its financing subsidiary Telenet Finance Luxembourg Notes S.à r.l. completed the 10% repurchase of its 3.50% €600.0 million Senior Secured Fixed Rate Notes due March 2028 for an aggregate amount of €56.6 million. As a result of this transaction, the principal amount under these Notes decreased to €540.0 million. The Notes were repurchased at a weighted average price of 94.375% over the period March 12, 2020 up to April 7, 2020 through an independent financial intermediary, who repurchased such Notes on Telenet Finance Luxembourg Notes S.à r.l. 's behalf. Telenet Finance Luxembourg Notes S.à r.l. canceled the repurchased Notes in full, including the settlement of accrued interest.

5.13.3 Repayment schedule

Aggregate future principal payments on the total borrowings under all of the Company’s loans and borrowings other than leases, vendor financing, the SFR network right of use liability, and the the Clientele fee > 20 years as of December 31, 2022 and 2021 are shown in the following tables:

(€ in millions)	Total Facility as per	Drawn amount	Undrawn amount	Maturity Date	Interest rate	Interest payments due
December 31, 2022						
2020 Amended Senior Credit Facility						
Term Loan AQ	1,110.0	1,110.0	—	April 30, 2029	Floating | 6-month Euribor (0% floor) + 2.25%	Semi-annually (Jan. and Jul.)
Term Loan AR (USD 2,295 million)	2,142.8	2,142.8	—	April 30, 2028	Floating | USD Libor 6-month (0% floor)+ 2.00%	Monthly
Revolving Credit Facility I	510.0	—	510.0	May 31, 2026	Floating | 1-month Euribor (0% floor)+ 2.25%	Quarterly (commitment fees only)
Other						
Revolving Credit Facility	20.0	—	20.0	September 30, 2026	Floating | 1-month EURIBOR (0% floor) + 2.25%	Quarterly (commitment fees only)
BNP Overdraft Facility	25.0	—	25.0	December 31, 2022	Floating | 1-month EURIBOR (0% floor) + 1.60%	Quarterly (commitment fees only)
Senior Secured Fixed Rate Notes						
USD 1.0 billion Senior Secured Notes due 2028 (Term Loan AJ)	933.7	933.7	—	March 1, 2028	Fixed | 5.50%	Semi-annually (Jan. and Jul.)
€600 million Senior Secured Notes due 2028 (Term Loan AK)	540.0	540.0	—	March 1, 2028	Fixed | 3.50%	Semi-annually (Jan. and Jul.)
Total notional amount	**5,281.5**	**4,726.5**	**555.0**			

(€ in millions)	Total Facility as per	Drawn amount	Undrawn amount	Maturity Date	Interest rate	Interest payments due
December 31, 2021						
2020 Amended Senior Credit Facility						
Term Loan AQ	1,110.0	1,110.0	—	April 30, 2029	Floating | 6-month Euribor (0% floor) + 2.25%	Semi-annually (Jan. and Jul.)
Term Loan AR (USD 2,295 million)	2,015.5	2,015.5	—	April 30, 2028	Floating | USD Libor 6-month (0% floor)+ 2.00%	Monthly
Revolving Credit Facility I	510.0	—	510.0	May 31, 2026	Floating | 1-month Euribor (0% floor)+ 2.25%	Quarterly (commitment fees only)
Other						
Revolving Credit Facility	20.0	—	20.0	September 30, 2026	Floating | 1-month EURIBOR (0% floor) + 2.25%	Quarterly (commitment fees only)
BNP Overdraft Facility	25.0	—	25.0	December 31, 2022	Floating | 1-month EURIBOR + 1.60%	Quarterly (commitment fees only)
Senior Secured Fixed Rate Notes						
USD 1.0 billion Senior Secured Notes due 2028 (Term Loan AJ)	878.2	878.2	—	March 1, 2028	Fixed | 5.50%	Semi-annually (Jan. and Jul.)
€600 million Senior Secured Notes due 2028 (Term Loan AK)	540.0	540.0	—	March 1, 2028	Fixed | 3.50%	Semi-annually (Jan. and Jul.)
Total notional amount	**5,098.7**	**4,543.7**	**555.0**			

5.13.4Reconciliation of movements of liabilities to cash flows used in financing activities

The following table summarizes the movements of liabilities and shareholders' equity to cash flows used in financing activities for the year ended December 31, 2022:

(€ in millions)	2020 Amended Senior Credit Facility	Senior Secured Fixed Rate Notes	Vendor Financing	Lease obligations	Other loans & borrowings	Deferred financing fees	**Total changes from financing cash flows**
At December, 31, 2021	**3,135.4**	**1,449.3**	**349.4**	**520.9**	**132.6**	**(8.5)**	
Changes from financing cash flows							
Repayments of loans and borrowings	—	—	(417.9)	—	(18.7)	—	**(436.6)**
Proceeds from loans and borrowings	—	—	345.3	—	4.6	—	**349.9**
Payments of lease liabilities	—	—	—	(90.0)	—	—	**(90.0)**
Total changes from financing cash flows	**—**	**—**	**(72.6)**	**(90.0)**	**(14.1)**	**—**	**(176.7)**
The effect from changes in foreign exchange rate	**126.8**	**55.4**	**—**	**—**	**—**	**(0.1)**	**182.1**
Liability related other changes							
New finance leases, vendor financing and other debt obligations	—	—	64.7	655.4	406.5	—	
Non cash settlement VAT	—	—	7.8	—	—	—	
Amortization deferred financing fees	0.6	—	—	—	16.7	1.8	
Interest expense	110.2	71.3	7.8	42.8	8.0	3.8	
Interest paid	(103.9)	(69.3)	(7.0)	(35.4)	(5.3)	—	
Reclass balances to discontinued operations	—	—	—	(106.6)	—	—	
Opening balance sheet new consolidation scope	—	—	—	1.6	6.1	—	
Other	—	—	—	(1.0)	(2.5)	(3.7)	
Total liability related other changes	**6.9**	**2.0**	**73.3**	**556.8**	**429.5**	**1.9**	
At December 31, 2022	**3,269.1**	**1,506.7**	**350.1**	**987.7**	**548.0**	**(6.7)**	

(€ in millions)	Share capital	Share premium	Share-based payment reserve	Legal reserve	Reserve for own shares	Other reserves	Retained loss	Remeasurements and translation reserve	Non controlling interests	**Total changes from financing cash flows**
At December 31, 2021	**12.8**	**80.7**	**149.7**	**64.8**	**(202.1)**	**685.3**	**(2,148.1)**	**(9.6)**	**3.4**	
Changes from financing cash flows										
Repurchase of own shares	—	—	—	—	(21.9)	—	**—**	—	—	**(21.9)**
Realized loss on own shares sold	—	—	—	—	8.9	—	**(8.9)**	—	—	**—**
Payments related to capital reductions and dividends	—	—	—	—	—	—	**(149.0)**	—	—	**(149.0)**
Proceeds from capital transactions with equity participants	—	—	—	—	—	—	**—**	—	0.7	**0.7**
Total changes from financing cash flows	**—**	**—**	**—**	**—**	**(13.0)**	**—**	**(157.9)**	**—**	**0.7**	**(170.2)**
Total equity related other changes	**—**	**—**	**6.9**	**—**	**71.2**	**(71.2)**	**997.6**	**7.9**	**16.3**	
At December 31, 2022	**12.8**	**80.7**	**156.6**	**64.8**	**(143.9)**	**614.1**	**(1,308.4)**	**(1.7)**	**20.4**	
Total changes from financing cash flows										**(170.2)**

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The following table summarizes the movements of liabilities and shareholders' equity to cash flows used in financing activities for the year ended December 31, 2021:

(€ in millions)	2020 Amended Senior Credit Facility	Senior Secured Fixed Rate Notes	Vendor Financing	Lease obligations	Other loans & borrowings	Deferred financing fees	Total changes from financing cash flows
At December, 31, 2020, as restated	**2,996.7**	**1,388.1**	**353.9**	**555.5**	**133.7**	**(10.0)**	
Changes from financing cash flows							
Repayments of loans and borrowings	—	—	(409.0)	—	(10.3)	—	**(419.3)**
Proceeds from loans and borrowings	—	—	350.7	—	0.1	—	**350.8**
Payments of lease liabilities	—	—	—	(87.3)	—	—	**(87.3)**
Total changes from financing cash flows	**—**	**—**	**(58.3)**	**(87.3)**	**(10.2)**	**—**	**(155.8)**
The effect from changes in foreign exchange rate	**138.0**	**60.3**	**—**	**—**	**—**	**(0.2)**	**198.1**
Liability related other changes							
New finance leases and new vendor financing	—	—	45.7	49.0	—	—	
Non cash settlement VAT	—	—	7.6	—	—	—	
Amortization deferred financing fees	0.5	—	—	—	8.8	6.0	
Loss on extinguishment and modification of debt	—	—	—	—	—	(0.1)	
Interest expense	66.9	65.6	7.3	27.3	3.7	0.2	
Interest paid	(66.7)	(64.7)	(6.4)	(23.9)	(6.9)	—	
Other	—	—	(0.4)	0.3	3.5	(4.4)	
Total liability related other changes	**0.7**	**0.9**	**53.8**	**52.7**	**9.1**	**1.7**	
At December 31, 2021	**3,135.4**	**1,449.3**	**349.4**	**520.9**	**132.6**	**(8.5)**	

(€ in millions)	Share capital	Share premium	Share - based payment reserve	Legal reserve	Reserve for own shares	Other reserves	Retained loss	Remeasu rements	Non-controlling interest	Total changes from financing cash flows
At December 31, 2020, as restated	**12.8**	**80.7**	**135.6**	**64.8**	**(199.4)**	**685.3**	**(2,249.9)**	**(12.3)**	**28.6**	
Changes from financing cash flows										
Repurchase of own shares	—	—	—	—	(13.5)	—	—	—	—	**(13.5)**
Realized loss on own shares sold	—	—	—	—	10.8	—	(10.8)	—	—	**—**
Payments related to capital reductions and dividends	—	—	—	—	—	—	(300.5)	—	—	**(300.5)**
Proceeds from capital transactions with equity participants	—	—	—	—	—	—	19.1	—	(24.9)	**(5.8)**
Total changes from financing cash flows	**—**	**—**	**—**	**—**	**(2.7)**	**—**	**(292.2)**	**—**	**(24.9)**	**(319.8)**
Total equity related other changes	**—**	**—**	**14.1**	**—**	**—**	**—**	**394.0**	**2.7**	**(0.3)**	
At December 31, 2021	**12.8**	**80.7**	**149.7**	**64.8**	**(202.1)**	**685.3**	**(2,148.1)**	**(9.6)**	**3.4**	
Total changes from financing cash flows										**(319.8)**

5.13.5 Guarantees and covenants

Telenet's net covenant leverage, as calculated under the Senior Credit Facility, differs from its net total leverage as it excludes (i) lease-related liabilities, (ii) any vendor financing-related short-term liabilities and includes (iii) the Credit Facility Excluded Amount (which is the greater of €400.0 million and 0.25x Consolidated Adjusted Annualized EBITDA). Telenet's net covenant leverage reduced to 2.2x at December 31, 2022 (December 31, 2021: 3.0x). Telenet's current net covenant leverage ratio is significantly below the springing maintenance covenant of 6.0x and the incurrence test of 4.5x net senior leverage. The aforementioned maintenance covenant only applies, however, in case Telenet would draw 40% or more under its revolving credit facilities. At December 31, 2022, Telenet's revolving credit facilities were fully undrawn.

2020 Amended Senior Credit Facility and Senior Secured Notes

At 31 December 2022, Telenet BV, Telenet Group NV, Telenet International Finance S.à r.l. and Telenet Financing USD LLC guaranteed (and continue to guarantee) the obligations of each of Telenet BV, Telenet Group NV, Telenet International Finance S.à r.l. and Telenet Financing USD LLC under the Senior Credit Facility, to the extent permitted by law and subject to any applicable guarantee limitations.

In addition, the following security has been granted under the Senior Credit Facility by Telenet Group Holding NV, Telenet Group NV and Telenet International Finance S.à r.l.:

- pledges of all shares of Telenet BV, Telenet Group NV, Telenet International Finance S.à r.l. and Telenet Financing USD LLC; and
- pledge of receivables owed to Telenet Group Holding NV by Finance Center Telenet S.à r.l. under a subordinated shareholder loan and all receivables owed by other group members to Telenet Group Holding NV under future subordinated shareholder loans.

As of December 31, 2022, the Company was in compliance with all of its financial covenants.

In respect of the obligations under the notes issued by Telenet Finance Luxembourg Notes S.à r.l., security has been granted to the trustee under the notes on behalf of itself and the holders of the notes over:

- all of Telenet Finance Luxembourg Notes S.à r.l.'s rights, title and interest under the finance documents described in the Senior Credit Facility, the intercreditor agreement dated October 10, 2007 (as amended and restated from time to time and most recently on 10 August 2017), the additional facility AJ accession agreement and the additional facility AK accession agreement pursuant to which Telenet Finance Luxembourg Notes S.à r.l. has become a lender under the Senior Credit Facility;
- all of Telenet Finance Luxembourg Notes S.à r.l.'s rights, title and interest under the fee letters and the service agreement related to the notes issuances; and
- all sums of money held from time to time in Telenet Finance Luxembourg Notes S.à r.l.'s bank account.

Other guarantees and security

Telenet BV financed the construction and further expansion of the property located at Liersesteenweg 4, 2800 Mechelen by entering into various real estate leasing arrangements (onroerende leasingsovereenkomsten) with KBC Bank NV and Belfius Leasing Services NV, in the framework of which it has granted building rights (recht van opstal) to such parties. To further secure the construction and real estate leasing arrangements with KBC Bank NV and Belfius Leasing Services NV, Telenet BV has also granted non-exercised mortgages and mortgage mandates to KBC Bank NV and Belfius Leasing Services NV.

5.13.6 Vendor Financing

The Company uses a vendor financing program under which suppliers entering the system are paid by the bank earlier than their regular payment terms at a discount or at their regular payment terms without a discount while Telenet has 360 days to pay the bank. Consequently, the vendor financing liabilities are accounted for as loans and borrowings on the balance sheet.

As at December 31, 2022, the outstanding liabilities with respect to vendor financing amounts to €350.1 million; (December 31, 2021: €349.4 million) consist of:

- €49.6 million capex related invoices (December 31, 2021: €39.8 million),
- €296.3 million operating expense related invoices (December 31, 2021: €306.3 million), and
- €4.2 million accrued interest (December 31, 2021: €3.3 million).

During the year ended December 31, 2022, the Company repaid €62.8 million of capex related invoices (2021: €65.1 million) and €355.1 million of opex related invoices (2021: €344.0 million).

As a result of the capex-related vendor financing, the Company's net cash used in investing activities was favorably impacted for the equivalent amount. Upon payment of the short term debt by Telenet to the bank after 360 days, the Company will record cash used in financing activities.

For opex related invoices the Company records cash outflows from operations and a corresponding cash inflow in financing activities when the expenses are incurred. When the Company pays the bank, the Company records financing cash outflows.

5.13.7 Leases

As part of the sale and leaseback transaction with DigitalBridge Investments LLC (see Note 5.4), the Company also transferred its related existing ground and location leases and consequently derecognized its related lease liabilities amounting to €106.6 million. The Company subsequently entered into a master lease agreement ("MLA") with Belgium Tower Partners NV for an initial lease period of 15 years and two possible renewal periods of 10 years each. In respect of this MLA, the Company recognized a new lease liability for a total amount of €582.3 million, comprising of the ground and location leases as well as of the lease of the passive mobile network infrastructure.   For further information regarding the leases, we refer to Note 5.29.

As mentioned in Note 5.4, the agreement also includes a build-to-suit commitment to deploy and lease a minimum of 475 additional new sites. The leases, that have not commenced yet, create significant rights and obligations for the lessee. As per December 31, 2022, the total commitment related to the underlying anchor tenant fees for the remaining 464 additional new sites, was estimated at €113.0 million based on the current existing roll-out planning per type of towers.

5.13.8 Mobile spectrum

Following the mobile spectrum auctions of 2022, Telenet obtained a license on the 2G, 3G and 5G spectrum bands for a consideration consisting of a so-called “unique fee” and “annual fees” (see Note 5.6). Telenet made use of the option to pay the "unique fee" in yearly installments, with the application of an interest rate calculated on a yearly basis (EURIBOR 1 year + 2%). The “annual fee" is a spectrum availability fee and is due regardless of whether the spectrum is used or not and is subject to an annual indexation adjustment (i.e. the consumer price index). In respect of the acquired licenses, the Company recognized a new Spectrum license liability for a total amount of €393.7 million, consisting of the unique fee as well as the annual fees liabilities.

5.14 Derivative financial instruments

The Company has entered into various derivative instruments to manage interest rate and foreign currency exposure.

As of December 31, 2022 and 2021, the outstanding forward foreign exchange derivatives were as follows:

	December 31, 2022	December 31, 2021
Forward Purchase Contracts		
Notional amount (USD in millions)	40.8	55.7
Weighted average strike price (US dollar per euro)	1.049	1.185
Maturity	100% maturing in 2023	100% maturing in 2022

The Company entered into several cross currency interest rates swaps (CCIRS) to hedge the foreign exchange exposure of its USD-denominated debt and to swap the USD payable floating rate into a Euro payable fixed rate.

As of December 31, 2022 and 2021, the outstanding interest rate derivatives and cross currency interest rates swaps ("CCIRS") were as follows:

	December 31, 2022	December 31, 2021
Interest Rate Swaps EUR		
Section 1: Paying EUR floating rate / Receiving EUR fixed rate		
Notional amount (€ in millions)	—	125.0
Average pay interest rate	—	EURIBOR 6M
Average receive interest rate	— %	0.14 %
Maturity	0	2022
Notional amount (€ in millions)	1,032.0	1,032.0
Average pay interest rate	EURIBOR 3M / EURIBOR 6M	EURIBOR 3M / EURIBOR 6M
Average receive interest rate	0.08 %	0.08 %
Maturity	2023	2023
Notional amount (€ in millions)	270.0	270.0
Average pay interest rate	EURIBOR 3M	EURIBOR 3M
Average receive interest rate	0.34 %	0.34 %
Maturity	2025	2025
Section 2: Paying EUR fixed rate / Receiving EUR floating rate		
Notional amount (€ in millions)	—	125.0
Average pay interest rate	— %	1.75 %
Average receive interest rate	—	EURIBOR 6M
Maturity	0	2022
Notional amount (€ in millions)	827.0	827.0
Average pay interest rate	0.32 %	0.32 %
Average receive interest rate	EURIBOR 3M	EURIBOR 3M
Maturity	2023	2023
Notional amount (€ in millions)	625.0	625.0
Average pay interest rate	1.28 %	1.28 %

Average receive interest rate	EURIBOR 6M	EURIBOR 6M
Maturity	2023	2023
Notional amount (€ in millions)	270.0	270.0
Average pay interest rate	1.09 %	1.09 %
Average receive interest rate	EURIBOR 3M	EURIBOR 3M
Maturity (1)	2025	2025
Notional amount (€ in millions)	1.8	2.3
Average pay interest rate	4.75 %	4.75 %
Average receive interest rate	EURIBOR 3M	EURIBOR 3M
Maturity	2025	2025
Notional amount (€ in millions)	960.0	960.0
Average pay interest rate	0.91 %	0.91 %
Average receive interest rate	EURIBOR 6M	EURIBOR 6M
Maturity	2027	2027
Notional amount (€ in millions)	150.0	150.0
Average pay interest rate	0.71 %	0.71 %
Average receive interest rate	EURIBOR 6M	EURIBOR 6M
Maturity (1)	2027	2027
Basis Swaps USD		
Notional amount (USD in millions)	—	2,295.0
Average pay interest rate	0	USD 6M + 1.93%
Average receive interest rate	0	USD 1M + 2.00%
Maturity	0	2022
Notional amount (USD in millions)	2,295.0	2,295.0
Average pay interest rate	USD 6M + 1.97%	USD 6M + 1.97%
Average receive interest rate	USD 1M + 2.00%	USD 1M + 2.00%
Maturity (4)	2023	2023
Cross currency interest rate swap		
Section 1: Receiving USD floating rate / Paying EUR fixed rate		
Notional amount (USD in millions)	50.0	50.0
Average receive interest rate	USD 6M + 2.50%	USD 6M + 2.50%
Notional amount (€ in millions)	45.2	45.2
Average pay interest rate	2.78 %	2.78 %
Maturity	2025	2025
Notional amount (USD in millions)	50.0	50.0
Average receive interest rate	USD 6M + 2.00%	USD 6M + 2.00%
Notional amount (€ in millions)	45.2	45.2
Average pay interest rate	2.65 %	2.65 %
Maturity (3)	2028	2028
Notional amount (USD in millions)	2,245.0	2,245.0
Average receive interest rate	USD 6M + 2.00%	USD 6M + 2.00%
Notional amount (€ in millions)	1,996.0	1,996.0
Average pay interest rate	2.53 %	2.53 %
Maturity	2028	2028

Section 2: Receiving USD fixed rate / Paying EUR fixed rate		
Notional amount (USD in millions)	595.0	595.0
Average receive interest rate	5.50 %	5.50 %
Notional amount (€ in millions)	520.1	520.1
Average pay interest rate	3.21 %	3.21 %
Maturity	2024	2024
Notional amount (USD in millions)	405.0	405.0
Average receive interest rate	5.50 %	5.50 %
Notional amount (€ in millions)	362.7	362.7
Average pay interest rate	3.37 %	3.37 %
Maturity	2025	2025
Notional amount (USD in millions)	595.0	595.0
Average receive interest rate	5.50 %	5.50 %
Notional amount (€ in millions)	520.1	520.1
Average pay interest rate	4.62 %	4.62 %
Maturity (2)	2025	2025
Section 3: Receiving EUR fixed rate / Paying USD fixed rate		
Notional amount (USD in millions)	50.0	50.0
Average receive interest rate	0.45 %	0.21 %
Notional amount (€ in millions)	45.2	45.2
Average pay interest rate	0.50 %	0.25 %
Maturity	2025	2025
Floor		
Notional amount (€ in millions)	1,035.0	1,035.0
Average floor interest rate	0.34 %	0.34 %
Floor strike	0%	0%
Maturity	2027	2027

(1) Forward starting contract with effective date 2023;
(2) Forward starting contract with effective date 2024;
(3) Forward starting contract with effective date 2025;
(4) Forward starting contract with effective date 2022.

The following tables provide details of the fair value of the Company's financial and derivative instrument assets (liabilities), net:

(€ in millions)	December 31, 2022	December 31, 2021
Current assets	123.4	57.1
Non-current assets	485.4	30.8
Current liabilities	(70.6)	(58.9)
Non-current liabilities	(21.4)	(174.0)
	516.8	**(145.0)**
Interest rate derivatives	45.3	(91.4)
Cross currency interest rate swaps	472.4	(56.3)
Foreign exchange forwards	(1.2)	1.8
Embedded derivatives	0.3	0.9
	516.8	**(145.0)**

Realized and unrealized gains (losses) on financial and derivative instruments comprise the following amounts:

(€ in millions)	December 31, 2022	December 31, 2021
Change in fair value (note 5.21)		
Cross currency interest rate swaps	528.6	275.9
Interest rate derivatives	136.7	40.4
Foreign exchange forwards	(3.0)	4.6
Interest rate caps	(0.6)	0.9
Total change in fair value	**661.7**	**321.8**
Realized results on derivatives		
Cross currency interest rate swaps	17.7	(11.6)
Interest rate derivatives	2.2	(8.8)
Embedded derivatives	—	0.8
Interest rate caps	5.5	4.5
Total realized results on derivatives	**25.4**	**(15.1)**
Net gain on derivative financial instruments	**687.1**	**306.7**

The fair value of the Company's financial and derivative instruments amounted to €516.8 million on December 31, 2022 (2021: -€145.0 million). The fair value overall improved significantly due to i) a lower EUR/USD foreign exchange rate and to ii) increased long term EUR and USD swap rates.

5.15 Deferred taxes

Telenet Group Holding NV and its consolidated subsidiaries each file separate tax returns in accordance with applicable local tax laws. For financial reporting purposes, Telenet Group Holding NV and its subsidiaries calculate their respective tax assets and liabilities on a separate-return basis. These assets and liabilities are combined in the accompanying consolidated financial statements.

As of 2020, the Belgian corporate income tax rate for the Belgian Telenet entities is 25%. The Luxembourg corporate income tax rate for the Luxembourg Telenet entities is 27.19% in both 2021 and 2022.

The movement in deferred tax assets and liabilities during the current and the prior year, without taking into consideration the offsetting of balances within the same tax entity, is as follows:

(€ in millions)	December 31, 2021	Impact of acquisitions & divestments	(Charged) credited to the statement of profit or loss and other comprehensive income	December 31, 2022
Deferred tax assets:				
Financial instruments	32.8	—	(31.4)	1.4
Lease obligation	34.8	(26.5)	149.0	157.3
Provisions	7.7	(2.9)	(0.7)	4.1
Tax loss carry-forwards	158.0	(1.4)	15.1	171.7
Total Deferred tax assets	**233.3**	**(30.8)**	**132.0**	**334.5**
Deferred tax liabilities:				
Right of use assets	(32.4)	26.9	(73.9)	(79.4)
Property and equipment	(81.3)	2.3	5.6	(73.4)
Goodwill	(18.4)	—	(0.3)	(18.7)
Intangible assets	(35.8)	(4.4)	14.2	(26.0)
Receivables	(1.3)	—	0.3	(1.0)
Loans	(17.4)	—	(128.4)	(145.8)
Other	10.6	0.4	(12.3)	(1.3)
Total Deferred tax liabilities	**(176.0)**	**25.2**	**(194.8)**	**(345.6)**
	57.3	**(5.6)**	**(62.8)**	**(11.1)**

(€ in millions)	For the year ended December 31,	For the year ended December 31,
Statement of profit or loss and comprehensive income	**2022**	**2021**
Deferred tax expense in profit or loss (see Note 5.22)	61.7	31.4
Deferred tax expense in OCI (related to pensions)	1.1	0.9
Total deferred tax expense	**62.8**	**32.3**
Current tax expense in profit or loss (see Note 5.22)	83.9	81.8
Current tax expense in OCI (related to pensions)	1.5	—
Total current tax expense	**85.4**	**81.8**
Total Comprehensive Income	**148.2**	**114.1**
Less: Deferred tax expense in OCI	(1.1)	(0.9)
Less: Current tax expense in OCI	(1.5)	—
Total profit or loss	**145.6**	**113.2**

(€ in millions)	For the year ended December 31,	For the year ended December 31,
Balance Sheet	**2022**	**2021**
Deferred tax assets	190.0	169.0
Deferred tax liabilities	(201.1)	(111.7)
	(11.1)	**57.3**

As of December 31, 2022, Telenet Group Holding NV and its subsidiaries had available combined cumulative tax loss carry forwards of €1,215.8 million (2021: €1,162.7 million). These tax losses may be historical (before acquisition by the Telenet group) or resulting from operational, financial or M&A activities. Under current Belgian tax law, these loss carry forwards have an indefinite life (and 17 years in Luxembourg) and may be used to offset the future taxable income of Telenet Group Holding NV and its subsidiaries. Deferred tax assets are recognized for tax loss carry forwards to the extent that the realization of the related tax benefit through the future taxable profits is probable, based on management's assessment, taking into account business plans and projections of future expected results.

Telenet did not recognize deferred tax assets of €136.7 million (2021: €135.0 million) in respect of losses amounting to €546.5 million (2021: €540.0 million) that can be carried forward against future taxable income because it is not considered more likely than not that these net deferred tax assets will be utilized in future years.

5.16 Other non-current liabilities

(€ in millions)	Note	December 31, 2022	December 31, 2021
Employee benefit obligations	5.17	11.9	18.7
Other personnel related obligations		0.1	0.2
Long service awards	5.17	7.9	8.3
Interkabel out of market opex		17.1	17.2
Liabilities regarding sports broadcasting rights		19.5	37.2
Acquisition related liabilities		0.8	1.4
Other		3.8	0.3
Total Other non-current liabilities		**61.1**	**83.3**

Total non-current and current liabilities regarding sports broadcasting rights amounted to €19.5 million and €21.4 million, respectively (see note 5.18.1) at December 31, 2022 (December 31, 2021: €37.2 million and €21.5 million, respectively). The €17.7 million decrease in the non-current sports rights liability is the combined effect of (i) additions of sports rights (€1.9 million), mainly linked to Premier League, and (ii) interest accretion (€1.0 million), offset by the reclassification to current liabilities (€20.6 million).

The operating expenses charged to Telenet by Interkabel for the maintenance of its network are higher than the Company's benchmark expenses for similar operations and therefore reflects an unfavorable out of market element. In the Interkabel acquisition, this out of market element was recorded at fair value. The corresponding liability at December 31, 2022 amounted to €17.1 million (December 31, 2021: €17.2 million).

The increase of €3.5 million on the category "Other" is mainly linked to the outstanding guarantee paid by Lyca, which was reclassed from current to non-current liabilities.

The acquisition related payables relate to Doccle BV en Doccle.UP NV (note 5.7.1).

5.17 Employee benefit plans

Assets and liabilities related to the Company's long term employee benefit plans, carried on the consolidated statement of financial position, can be summarized as follows:

(€ in millions)	Note	December 31, 2022			December 31, 2021		
		Total employee benefit plan	of which Defined benefit pension plans	of which Other post retirement plans	Total employee benefit plans	of which Defined benefit pension plans	of which Other post retirement plans
Defined benefit pension plans		11.9	3.2	8.7	18.7	9.0	9.7
Total LT employee benefit obligations	**5.16**	**11.9**	**3.2**	**8.7**	**18.7**	**9.0**	**9.7**
Total LT service awards	5.16	7.9	—	—	8.3	—	—
Total LT asset related to surplus of post retirement obligations (plan assets)	5.9.1	(9.0)	(9.0)	—	(9.3)	(9.3)	—
Total employee benefit plans liability		**10.8**	**(5.8)**	**8.7**	**17.7**	**(0.2)**	**9.7**

Long service awards

The Company has recognized a liability of €7.9 million at December 31, 2022 (2021: €8.3 million) for long service awards, which have the form of jubilee benefits.

Defined benefit pension plans and other post-retirement benefit plans

The majority of Telenet's employees participate in defined contribution plans, whereby the contributions depend on the employee's salary. Those plans are accounted for as defined benefit plans due to legally imposed minimum guaranteed rates of return which may result in additional contributions if actual investment returns are not sufficient.

Beginning January 1, 2016 onwards, the minimum guaranteed rate of return is annually recalculated based on the average yield of 10-year government bonds, with a minimum of 1.75% and a maximum of 3.75%. For 2022, the minimum guaranteed rate of return was equal to 1.75% (same for 2021). For the plans funded through a pension fund, the annually recalculated minimum rate of return is used to increase the minimum reserves during the year, while for most insured plans, each minimum rate of return applies to the contributions paid during the year up to the employee's date of leaving. Prior to January 1, 2016, the minimum guaranteed rate of return was equal to 3.25% for employer contributions and 3.75% for employee contributions.

Telenet's main defined contribution plan is funded through the pension fund IBP Telenet OFP. This plan represents 66% of the total benefit obligations at December 31, 2022. The Company's pension fund is actively managed by two independent asset management firms. The investment strategy is based on a balanced neutral risk profile with a long-term investment horizon. The pension fund's performance is monitored and analyzed on a monthly basis by the pension fund's in-house investment specialist and discussed and reviewed on a quarterly basis by the pension fund's board of directors.

The employees of Telenet Group (formerly known as BASE) and Telenet Retail benefit from defined contribution pension plans funded through a group insurance, whereby the assets are invested in investment funds without interest guaranteed by the insurance company.

Former Electrabel (ICS) employees were covered by a defined benefit pension plan which provided benefits based the final salary and years of service. The plan was closed for future accrual and modified into a cash balance pension plan during 2018. A limited number of other employees are covered by defined benefit plans.

Furthermore, Telenet also provides post-retirement health care benefits and early retirement benefits to former Electrabel (ICS) employees. These obligations, which represent 5% of the total benefit obligations as of December 31, 2022, are financed directly by the Company.

All these plans expose the Company to various risks such as interest rate risk (a decrease of bond yields will increase the benefit obligations), investment risk (a lower return on plan assets will decrease the funded status), longevity risk (an increase in life

expectancy will increase the benefit obligations for the post-retirement health care plan) and inflation risk (higher than expected salary increases or medical cost increases will increase the benefit obligations). For the pension plans, the longevity risk is limited because the pension benefits are normally paid out in the form of a lump sum.

The defined benefit obligation, the fair value of the plan assets and the net defined benefit liability/(asset) reconcile as follows:

(€ in millions)	Defined Benefit Obligation		Fair value of plan assets		Asset ceiling		Net defined benefit liability (asset)	
	2022	2021	2022	2021	2022	2021	2022	2021
At January 1	**191.3**	**168.2**	**(185.0)**	**(160.6)**	**3.5**	**1.4**	**9.6**	**9.0**
Components of defined benefit cost included in profit or loss								
Current service cost (incl. administration costs)	17.2	15.6	—	—	—	—	17.2	15.6
Past service cost	—	5.0	—	(2.6)	—	—	—	2.4
Interest cost / (income)	1.8	0.8	(1.7)	(1.3)	—	—	0.1	(0.5)
	19.0	**21.4**	**(1.7)**	**(3.9)**	**—**	**—**	**17.2**	**17.5**
Components of defined benefit cost included in OCI								
Remeasurements								
Actuarial loss (gain) arising from:								
Changes to assumptions	(28.9)	(5.4)	—	—	—	—	(28.9)	(5.4)
Experience adjustments	(0.6)	12.1	—	—	—	—	(0.6)	12.1
Return on plan assets excluding interest income	—	—	22.7	(12.0)	—	—	22.7	(12.0)
Change in asset ceiling (1)	—	—	—	—	(3.5)	2.1	(3.5)	2.1
	(29.5)	**6.7**	**22.7**	**(12.0)**	**(3.5)**	**2.1**	**(10.3)**	**(3.2)**
Other								
Contributions paid by the employee	0.2	0.2	(0.2)	(0.2)	—	—	—	—
Contributions paid by the employer (incl. taxes)	—	—	(12.1)	(13.3)	—	—	(12.1)	(13.3)
Benefits paid (incl. taxes)	(7.3)	(6.7)	5.7	6.2	—	—	(1.5)	(0.7)
Business combination / divestitures	—	1.5	—	(1.2)	—	—	—	0.3
	(7.0)	**(5.0)**	**(6.6)**	**(8.5)**	**—**	**—**	**(13.6)**	**(13.7)**
At December 31	**173.8**	**191.3**	**(170.6)**	**(185.0)**	**—**	**3.5**	**2.9**	**9.6**

Represented by:	2022	2021
Defined benefit pension plans	(5.8)	(0.2)
Other post-retirement plans	8.7	9.8
Total	**2.9**	**9.6**

(1) Curtailment gain as a result of the Coditel restructuring

The principal actuarial assumptions used for the purpose of the actuarial valuations are as follows:

Actuarial assumptions at December 31				
	Defined Benefit Pension Plans		**Other post-retirement plans**	
	2022	2021	2022	2021
Discount rate	3.80 %	0.90 %	3.80 %	0.90 %
Rate of compensation increase	3.50 %	3.10 %	— %	— %
Underlying inflation rate	2.20 %	1.80 %	2.20 %	1.80 %
Increase of medical benefits	— %	— %	3.40 %	3.00 %
Mortality tables	IA|BE -1 year	IA|BE - 1 year	IA|BE -1 year	IA|BE - 1 year

The following table shows a sensitivity analysis for the key assumptions:

Sensitivity analysis			
(in %)	Change	Change in Defined Benefit Obligation	
	(-) / (+)	decrease (-)	increase (+)
Discount rate	0.25 %	1.2 %	(1.3)%
Rate of compensation increase	0.25 %	(0.9)%	0.3 %
Increase of medical benefits	0.25 %	(0.2)%	0.2 %
Mortality tables	1 year	(0.1)%	0.1 %

The sensitivity analysis reflects the impact of a change in one assumption while keeping all other assumptions constant. In practice, this is unlikely to be the case as some assumptions may be correlated.

The weighted average duration of the benefit obligations equals 13.5 years.

The plan assets consist of:

Defined Benefit Pension Plans		
	2022	2021
Bonds	36 %	37 %
Equities	38 %	43 %
Insurance policies	6 %	14 %
Other	20 %	6 %
Total	**100 %**	**100 %**

All investments of the Company's pension fund are quoted securities.

The plan assets do not include any direct investments in shares issued by Telenet or property occupied by Telenet.

The fair value of the insurance policies corresponds to the sum of the insurance reserves and the assets in the financing funds.

The contributions towards defined benefit plans for the year ending December 31, 2023 (including the defined contribution plans accounted for as defined benefit plans) are estimated at €17.6 million.

5.18 Accrued expenses, other current liabilities and provisions

5.18.1 Accrued expenses and other current liabilities

(€ in millions)	Note	December 31, 2022	December 31, 2021
Customer deposits		20.4	17.2
Compensation and employee benefits		100.2	92.8
VAT and withholding taxes		27.5	18.9
Dividend payable to shareholders		1.5	1.4
Accrued programming fees		49.1	48.6
Accrued capital expenditures		74.4	45.7
Accrued other liabilities - invoices to receive regarding:			
Goods received and services performed		27.4	23.5
Professional fees		8.8	12.7
Warehouse items received		5.2	3.9
Interconnect		14.6	12.0
Advertising, marketing and public relations		0.6	1.4
Infrastructure		29.8	34.1
Facilities		2.4	2.5
Opex		15.5	15.4
Credit notes to issue		6.8	7.4
Accounts receivable with credit balance		20.5	15.4
Liabilities regarding sports broadcasting rights		21.4	21.5
Accrued commissions		34.4	22.9
Other current liabilities		4.1	3.3
Total Accrued expenses and other current liabilities		**464.6**	**400.6**

Compared to December 31, 2021, total accrued expenses and other current liabilities increased by €64.0 million to €464.6 million as of December 31, 2022. The main reasons for the higher outstanding balance are i) an increase in VAT and withholding taxes of €8.6 million, ii) an increase in accrued capital expenditures of €28.7 million, and iii) higher accounts receivable with credit balance of € 5.1 million.

Accrued compensation and employee benefits increased by €7.4 million compared to December 31, 2021, which is mainly linked to i) an increase in outstanding liabilities for social security and withholding taxes and ii) outstanding liabilities for Caviar which was not included in the comparative period.

The short term liabilities related to sports broadcasting rights remained stable and the year-on year trend is primarily explained by the reclassification from long term to short term liabilities (€20.6 million) and additions of a short term nature (€2.0 million), offset by invoices received (€22,7 million) related to F.A. Premier League, Jupiler Pro League and F1 Championships.

Accrued commissions increased from €22.9 million as of December 31, 2021 to €34.4 million as of December 31, 2022, which is primarily driven by Caviar which was not included in the comparative period.

5.18.2 Current and non-current provisions

The below table gives an overview of the Company's current and non-current provisions as at December 31, 2022 and December 31, 2021:

(€ in millions)	Note	December 31, 2022	December 31, 2021
Non-current provisions			
Onerous contract provision		1.0	2.9
Site restoration provision		16.7	11.9
Total non-current provisions		**17.7**	**14.8**
Current provisions			
Provisions for legal claims	5.26.1	98.7	85.2
Onerous contract provisions		2.3	2.3
Site restoration provision		0.1	0.4
Restructuring provisions		—	0.5
Total current provisions		**101.1**	**88.4**
Total provisions		**118.8**	**103.2**

The site restoration provision consists of liabilities for the costs of dismantling sites and restoring them to their original state. The increase in 2022, as compared to 2021, represents an increase of provision as a result of the recalculation in 2022 taking into account the current financial parameters.

At the end of 2013, the Company decided to discontinue the provision of DTT services. Following this decision, the Company determined that its obligations under the DTT capacity agreement with Norkring België NV constituted an onerous contract and, accordingly, recognized a provision as the net present value of the remaining payments due under this DTT capacity agreement related to the “MUX 2 and MUX 3 capacity”. The DTT capacity agreement was amended in 2016, whereby the Company waived its exclusive rights on the “MUX 1 capacity”, and as a result, the previously recognized lease liability related to this capacity no longer qualified as a lease liability and was consequently represented as and added to the existing restructuring liability. The restructuring liability was re-measured at the end of December 2015, reflecting the net present value of the remaining re-negotiated payments due under the contract. The remaining non-current and current liabilities related to the capacity of the three non-exclusive MUXes were €1.0 million and €2.3 million at December 31, 2022 (2021: respectively €2.9 million and €2.3 million).

Provisions with respect to legal claims increased by €13.5 million, following the outcome of recent court cases, mainly related to Pylon taxes, in combination with the Pylon taxes levied for 2022.

The following table gives a detailed overview of the movements in provisions for the year ended December 31, 2022.

(€ in millions)	Legal claims	Restructuring	Onerous contracts	Site restoration	Total
At January 1, 2022	85.2	0.5	5.2	12.3	103.2
Provision made during the year (+)	25.2	—	—	14.6	39.8
Provisions used during the year (-)	(7.1)	(2.6)	(2.2)	—	(11.9)
Provisions reversed during the year (-)	(8.1)	2.1	—	—	(6.0)
Reclass	—	—	—	(10.1)	(10.1)
Interest accretion	3.5	—	0.3	—	3.8
At December 31, 2022	**98.7**	**—**	**3.3**	**16.8**	**118.8**
Non-current provision (more than 1 year)	—	—	1.0	16.7	17.7
Current provision (less than 1 year)	98.7	—	2.3	0.1	101.1

The current year additions to provisions for legal claims relate primarily to contingencies in respect of Pylon taxes.

The outstanding provision for restructuring decreased by €0.5 million to €0.0 million at December 31, 2022, primarily linked to the execution of the SFR restructuring plan.

Provisions for onerous contracts decreased by €1.9 million in 2022, which is the net effect of i) a utilization of the provisions for an amount of €2.2 million and ii) interest accretion of €0.3 million. Provisions are classified as current or non-current, according to the expected timing of utilization of the provision.

Provisions for site restoration increased from €12.3 million at December 31, 2021 to €16.8 million at December 31, 2022. The outstanding balance breaks down in a current site restoration provision of €0.1 million and a non-current site restoration provision of €16.7 million.

For certain legal claims the settlement of the provision is expected to be reimbursed by another party. As of December 31, 2022, the Company recognized indemnification assets for an aggregate of €24.2 million (Note 5.9.2).

5.19 Revenue

The Company's revenue is comprised of the following:

(€ in millions)	For the year ended December 31,	
	2022	2021
Subscription revenue		
Video	535.4	548.5
Broadband internet	702.8	680.2
Fixed-line telephony	201.6	215.6
Cable subscription revenue	**1,439.8**	**1,444.3**
Mobile telephony	519.6	492.4
Total subscription revenue	**1,959.4**	**1,936.7**
Business services	179.7	181.1
Other	525.9	478.0
Total revenue	**2,665.0**	**2,595.8**

For the year ended December 31, 2022, Telenet generated revenue of €2,665.0 million, which was up nearly 3% versus €2,595.8 million of revenue generated for the year ended December 31, 2021. Telenet sold its mobile tower infrastructure business to DigitalBridge on June 1, 2022. This transaction had no meaningful impact on the Company's revenue profile except for the loss of external rental revenue earned from other mobile operators. As of October 2022, Telenet's consolidated financial accounts also include the contribution from the media group Caviar in which Telenet holds a 70% shareholding and is recorded under other revenue. For the year ended December 31, 2022 Caviar contributed €33.7 million to the Company's revenue.

For the year ended December 31, 2022, Telenet's total subscription revenue, which represents the sum of cable and mobile subscription revenue, was up 1% compared to the year ended December 31, 2021. Approximately 74% of revenue for the year ended December 31, 2022 was generated from monthly recurring subscriptions, while approximately 60% of revenue benefited from the 4.7% rate adjustment as of mid-June 2022. Growth in broadband and mobile telephony revenue of 3% and 6%, respectively, more than offset declines of 6% and 2%, respectively, in fixed line telephony and video revenue.

The revenue reported under business services relates to (i) the revenue generated on non-coax products, including fiber and leased DSL lines, (ii) Telenet's carrier business and (iii) value-added services such as network hosting and managed data security. Revenue generated by Telenet's business customers on all coax-related products, such as the flagship "KLIK" bundle, is allocated to Telenet's cable subscription revenue lines and is not captured within Telenet Business, the business services division. Telenet's business services revenue no longer includes the subscription, usage-related and interconnect revenue generated by the SME and LE business customers, now reflected under mobile telephony and other revenue, respectively. Telenet Business generated revenue of

€179.7 million for the year ended December 31, 2022, representing a 1% year-on-year decline, driven by lower fixed-line and ICT integration services revenue.

Other revenue primarily includes (i) interconnect revenue from both fixed-line and mobile telephony customers, including the SME and LE business customers, (ii) advertising and production revenue from the media subsidiaries, (iii) mobile handset sales, including the revenue earned under Telenet's "Choose Your Device" programs, (iv) wholesale revenue generated through both the commercial and regulated wholesale businesses, (v) product activation and installation fees and (vi) set-top box sales revenue. As of October 2022, the other revenue also includes the contribution from the acquired media business Caviar in which Telenet owns a 70% shareholding. Other revenue for the year ended December 31, 2022 reached €525.9 million, up 10% compared to the year ended December 31, 2021 and reflecting the aforementioned consolidation of Caviar.

The Company's other revenue is comprised of the following:

(€ in millions)	For the year ended December 31,	
	2022	2021
Interconnect	122.3	130.8
Sale of handsets and customer premise equipment	101.3	97.8
Wholesale	110.2	98.3
Advertising and production	161.0	124.9
Other	31.1	26.2
Total other revenue	**525.9**	**478.0**

The Company also had deferred revenue as follows:

(€ in millions)	December 31, 2022	December 31, 2021
Subscription revenue		
Video	23.0	22.6
Broadband internet	26.4	25.7
Fixed-line telephony	7.5	7.2
Cable subscription revenue	**56.9**	**55.5**
Mobile telephony	21.5	23.6
Total subscription revenue	**78.4**	**79.1**
Business services	25.1	25.4
Other	12.7	6.7
Total deferred subscription revenue	**116.2**	**111.2**
Other contract liabilities	6.7	7.6
Total deferred revenue	**122.9**	**118.8**
- of which non-current deferred revenue	2.3	3.6
- of which current deferred revenue	120.6	115.2

Deferred revenue is generally fees prepaid by the customers and, as discussed in note 5.2.9 to the consolidated financial statements of the Company, is recognized in the statement of profit or loss and other comprehensive income on a straight-line basis over the related service period.

The contract liabilities amounting to €6.7 million as per December 31, 2022 (December 31, 2021: €7.6 million) relate to the charged installation and/or other upfront fees which are deferred and recognized as revenue over the contractual period, or longer if the upfront fee results in a material renewal right.

The changes in the Company's contract assets, contract liabilities and deferred revenue can be summarized as follows:

	(€ in millions)	Non-current contract assets	Current contract assets	Non-current contract liabilities	Current contract liabilities	Deferred revenue
	January 1, 2021	**1.1**	**4.8**	**(2.0)**	**(5.5)**	**(118.9)**
+	Additions					
	New additions on the balance sheet during the year	2.1	8.7	(3.1)	(5.1)	(969.5)
-	Recognition in the result of the current year					
	Recognized in previous year	—	(4.8)	—	5.5	99.5
	Recognized in current year	—	(4.5)	—	2.6	877.7
+/-	Reclasses					
	Reclass from non-current to current contract assets / liabilities	(2.0)	2.0	2.9	(2.9)	—
	December 31, 2021	**1.2**	**6.2**	**(2.2)**	**(5.4)**	**(111.2)**
+	Additions					
	New additions on the balance sheet during the year	2.4	8.4	(2.6)	(6.5)	(935.1)
-	Recognition in the result of the current year					
	Recognized in previous year	—	(6.2)	—	5.5	93.0
	Recognized in current year	—	(3.7)	—	4.5	837.1
+/-	Reclasses					
	Reclass from non-current to current contract assets / liabilities	(2.3)	2.3	2.7	(2.7)	—
	December 31, 2022	**1.3**	**7.0**	**(2.1)**	**(4.6)**	**(116.2)**

As per December 31, 2022, the transaction price allocated to the remaining unsatisfied performance obligations and the expected period in which the revenue will be recognized can be summarized as follows:

(€ in million)		Remaining performance obligations - Expected recognition in the result of the year			
	TOTAL	2023	2024	2025	thereafter
Contract assets					
Recognized as contract asset in 2021	(1.2)	(1.2)	—	—	—
Recognized as contract asset in 2022	(7.1)	(5.8)	(1.3)	—	—
Total contract assets	**(8.3)**	**(7.0)**	**(1.3)**	**—**	**—**
Contract liabilities					
Recognized as contract liabilities in 2020	0.4	0.4	—	—	—
Recognized as contract liabilities in 2021	1.8	1.2	0.6	—	—
Recognized as contract liabilities in 2022	4.5	3.0	1.1	0.4	—
Deferred revenue					
Deferred revenue	116.2	116.0	—	—	0.2
Total contract liabilities	**122.9**	**120.6**	**1.7**	**0.4**	**0.2**

5.20 Expenses by nature

(€ in millions)	Note	For the years ended December 31,	
		2022	2021
Network operating expenses		205.5	205.2
Direct costs (programming, copyrights, interconnect and other)		545.4	522.0
Staff-related expenses		293.4	277.4
Sales and marketing expenses		88.7	88.1
Outsourced labor and Professional services		41.4	31.8
Other indirect expenses		116.8	103.8
Operating expenses		**1,291.2**	**1,228.3**
Restructuring expenses		2.4	1.2
Operating charges related to acquisitions or divestitures		15.4	18.0
Share-based payments granted to directors and employees	5.12	9.2	28.3
Depreciation	5.4	417.5	434.3
Amortization	5.6	235.4	217.9
Amortization of broadcasting rights	5.6	79.4	76.6
Post measurement period adjustments related to business acquisitions		0.8	(4.3)
Impairment of long-lived assets - intangible assets and goodwill	5.5 & 5.6	45.6	—
Impairment of long-lived assets - property and equipment	5.4	1.3	1.1
Gain on disposal of property and equipment	5.4	(8.7)	(4.8)
Non-cash and other items		**798.3**	**768.3**
Total costs and expenses		**2,089.5**	**1,996.6**

For the year ended December 31, 2022, Telenet incurred total expenses of €2,089.5 million, representing a 5% increase compared to the year ended December 31, 2021, including (i) the inorganic impact from the Caviar acquisition as of October 2022 and (ii) €2.6 million costs to capture to prepare the go-live of NetCo once regulatory approval will have been obtained. Total expenses represented approximately 78% of revenue for the year ended December 31, 2022 (the year ended December 31, 2021: approximately 77%). Cost of services provided as a percentage of revenue represented approximately 51% for the year ended December 31, 2022 (the year ended December 31, 2021: approximately 49%), while selling, general and administrative expenses represented approximately 28% of Telenet's total revenue for the year ended December 31, 2022 (the year ended December 31, 2021: approximately 28%).

Telenet's operating expenses, which include (i) network operating expenses, (ii) direct costs, (iii) staff-related expenses, (iv) sales and marketing expenses, (v) outsourced labor and professional services and (vi) other indirect expenses, increased 5% for the year ended December 31, 2022 compared to the year ended December 31, 2021, including the aforementioned acquisition effect.

Network operating expenses for the year ended December 31, 2022 were €205.5 million, which was stable relative to the year ended December 31, 2021. Telenet's total energy costs increased by €21.1 million for the year ended December 31, 2022 to €51.4 million as a result of globally higher energy prices following the war in Ukraine. Close to 90% of Telenet's expected energy consumption for 2023 is now covered by fixed price agreements.

The direct costs include all of the direct expenses such as (i) programming and copyright costs, including costs related to the purchase of content for the "Streamz", "Streamz+" and "Play More" packages, as well as the costs related to the Belgian football broadcasting rights, (ii) interconnect costs and (iii) handset sales and subsidies. For the year ended December 31, 2022, Telenet's direct costs were €545.4 million, up 4% compared to the year ended December 31, 2021 and reflecting the aforementioned impact from the Caviar acquisition.

Staff-related expenses for the year ended December 31, 2022 were €293.4 million, which represented a year-on-year increase of 6%. This reflected (i) the effect of the 3.6% mandatory wage indexation as of early 2022 and (ii) a higher average headcount. For 2023, Telenet expects the staff-related expenses to be materially impacted by the 11% mandatory wage indexation as of January 2023.

For the year ended December 31, 2022, Telenet's sales and marketing expenses were €88.7 million, representing a modest 1% increase compared to the year ended December 31, 2021 as a result of timing variances in some of the campaigns and the tight cost focus.

Costs related to outsourced labor and professional services were €41.4 million for the year ended December 31, 2022, reflecting a year-on-year increase of 30%. Higher outsourced labor and professional services expenditures reflected amongst others (i) costs to capture to prepare the NetCo go-live, (ii) digital transformation costs and (iii) impacts of inflation.

Other indirect expenses, which include, amongst others, (i) IT expenses, (ii) outsourced call center costs and (iii) facility-related expenses, reached €116.8 million for the year ended December 31, 2022, representing a year-on-year increase of 13%.

Depreciation and amortization, including impairment of long-lived assets, gain on disposal of assets and restructuring charges, reached €772.9 million for the year ended December 31, 2022 and included a €45.6 million impairment on some of the media assets (see note 5.5).

5.21 Finance income / expense

		For the year ended December 31,	
(€ in millions)	Note	2022	2021
Recognized in the statement of profit or loss and comprehensive income			
Finance income			
Net interest income and foreign exchange gain			
Interest income on bank deposits and commercial paper		3.6	1.6
		3.6	**1.6**
Net gain on derivative financial instruments			
Change in fair value	5.14	687.1	306.7
		687.1	**306.7**
Gain on extinguishment of debt		**—**	**0.1**
Finance expense			
Net interest expense, foreign exchange loss and other finance expense			
Interest expense on financial liabilities measured at amortized cost, and other finance expense		(264.1)	(185.5)
Amortization of financing cost		(2.5)	(2.4)
Net foreign exchange loss		(177.6)	(199.9)
		(444.2)	**(387.8)**
Net finance expenses		**246.5**	**(79.4)**

Net finance income for the year ended December 31, 2022 totaled €246.5 million compared to net finance expense of €79.4 million for the year ended December 31, 2021.

Finance income for the year ended December 31, 2022 increased 124% year-on-year from €308.4 million to €690.7 million and included a €687.1 million non-cash gain on our derivatives compared to €306.7 million for the year ended December 31, 2021.

Finance expense for the year ended December 31, 2022 increased 15% to €444.2 million from €387.8 million for the year ended December 31, 2021, reflecting a €78.6 million higher interest expense on financial liabilities, partially offsetting decrease in non-cash net foreign exchange loss of €22.3 million. Substantially all of the Company's USD-denominated and floating rate debt has been hedged until the respective maturity dates, hence minimizing the impact of foreign exchange and interest rate fluctuations on its cash flows.

5.22 Income tax expense

(€ in millions)	For the year ended December 31,	
	2022	2021
Current tax expense	83.9	81.8
Deferred tax expense (note 5.15)	61.7	31.4
Income tax expense	**145.6**	**113.2**
Effective Tax Rate	**12.74 %**	**22.35 %**

The effective tax rate was 12.74% for the year ended December 31, 2022 (22.35% for the year ended December 31, 2021). The tax expenses as shown above have been calculated in conformity with Belgian and international tax laws. Telenet believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the Belgian statutory tax rate applicable to profits of the consolidated companies as follows:

(€ in millions)	For the year ended December 31,	
	2022	2021
Profit before tax	**1,142.6**	**506.9**
Income tax expense at the Belgian statutory rate (25%)	285.7	126.7
Income not taxable	(174.1)	(0.7)
Expenses not deductible for tax purposes (incl. prior year adjustments)	30.1	7.5
Benefit of the investment deduction	(4.6)	(3.9)
Tax losses and temporary differences for which no deferred tax asset was recognized	1.9	(5.2)
Adjustments recognized in the current year in relation to the filings for prior years	5.9	0.7
Impact of different tax rates	10.9	3.3
Impact Innovation Income Deduction	(17.3)	(20.6)
Penalty for insufficient prepayments	5.2	5.4
Other	1.9	—
Tax expense for the year	**145.6**	**113.2**

The main differences compared to previous year can be explained as follows:

- Income not taxable: The increase over the prior year primarily relates to (i) the TowerCo transaction gains being non-taxable for Belgian tax purposes and (ii) the deferred tax benefit associated with the sale and leaseback of the Company's passive mobile infrastructure (see note 5.4);

- Expenses not deductible for tax purposes: The increase over the prior year primarily relates to (i) non-recurring impairments of investments in Eltrona and Streamz (see note 5.7) and (ii) a goodwill impairment associated with SBS Belgium and Woestijnvis (see note 5.5).

In October 2021, the Organization for Economic Cooperation and Development (OECD) announced the OECD/G20 Inclusive Framework of Base Erosion and Profit Shifting (BEPS), which agreed a two-pillar solution to reform international taxation. Pillar Two establishes a global minimum tax regime through a series of interlocking rules that would apply when a country's income tax rate is below 15%. According to the EU directive published in December 2022, it is anticipated that the Pillar Two rules will be substantively enacted in member states' legislation by the end of 2023, with the income inclusion rule applying to accounting periods beginning on or after December 31, 2023 and the undertaxed profits rule taking effect for years beginning from December 31, 2024. Telenet is incorporated and registered in Belgium, and it is part of a multinational group with a UK ultimate parent undertaking. Subject to reactions to BEPS initiatives and enactment of tax legislation in jurisdictions the group operates in, it is possible that this could have an impact on the Company's future tax charge and tax liabilities.

5.23 Earnings per share

5.23.1 Basic

The earnings and weighted average number of shares used in calculating basic earnings per share are:

(€ in millions, except share and per share data)	For the year ended December 31,	
	2022	2021
Net profit attributable to the equity holders of the Company	997.6	394.0
Weighted average number of ordinary shares	108,580,052	109,320,560
Weighted average number of shares used in the calculation of basic earnings per share	**108,580,052**	**109,320,560**
Basic earnings per share in €	**9.19**	**3.60**

5.23.2 Diluted

Diluted earnings per share are calculated by using the treasury stock method by adjusting the weighted average number of shares used in the calculation of basic earnings per share to assume full conversion of all dilutive potential ordinary shares.

For the year ended December 31, 2022, the Company had the following outstanding options throughout the year:

- ESOP 2017 stock options
- ESOP 2017bis stock options
- ESOP 2018 stock options
- ESOP 2018bis stock options
- ESOP 2019 stock options
- ESOP 2020 stock options

The earnings used in the calculation of diluted earnings per share measures are the same as those for the basic earnings per share measures, as outlined above and result in diluted earnings per share of €9.19 (2021: €3.60). For the year ended December 31, 2022, there was no dilutive impact from outstanding stock option plans referred to above on the ordinary shares of the Company as they were out of the money.

(€ in millions, except share and per share data)	**For the year ended December 31,**	
	2022	2021
Weighted average number of shares used in the calculation of basic earnings per share	108,580,052	109,320,560
Adjustment for ESOP stock options:	—	—
Weighted average number of shares used in the calculation of diluted earnings per share	**108,580,052**	**109,320,560**
Diluted earnings per share in €	**9.19**	**3.60**

5.24 Acquisition and disposal of subsidiaries

5.24.1 Caviar Group

On September 23, 2022, Telenet entered into an initial option exercise agreement to increase its stake in production house Caviar Group to 70% as of October 3, 2022 ("closing date"). The Company previously already held a 49% interest in Caviar Group. At the same time, the existing shareholders' agreement was adjusted. The increase in its stake in Caviar is in line with the Company's long-term entertainment strategy and investments in the Flemish media landscape. The Company has a remaining and final 30% call option that is exercisable at any time during the period between the exercise of its initial call option and the eighth anniversary of the date of the Shareholder Agreement , i.e. March 29, 2029. Telenet determined that on October 3, 2022, in accordance with IFRS 10, following these transactions, (i) it obtained control over the Caviar Group and that (ii) these transactions qualified as a business combination achieved in stages.

On October 3, 2022, the carrying amount of the initial 49% investment amounted to €18.2 million. The total purchase price paid at acquisition for the incremental 21% stake amounted to €14.5 million. The share purchase agreement did not contain any earn-out or other purchase price adjustment mechanisms. As part of accounting for the business combination, the Company remeasured its previously held interest in Caviar Group at fair value and took this amount into account in the determination of the total consideration transferred and goodwill. This fair value remeasurement resulted in the recognition of a €15.7 million gain in the consolidated statement of profit or loss.

For the years ended December 31, 2022 and 2021, the Company incurred acquisition-related costs of respectively €0.2 million and €1.4 million, consisting of legal fees and due diligence costs. These have been included in 'Selling, general and administrative expenses'.

The Company accounted for the Caviar Group acquisition using the acquisition method of accounting, whereby the total purchase price is allocated to the acquired identifiable net assets of Caviar Group based on assessments of their respective fair values, and the excess of:

- the aggregate of (1) purchase price, (2) the fair value of any non-controlling interest in the acquiree, and (3) the acquisition-date fair value of the Company's previously held equity interest (PHEI) in the acquiree, over
- the fair values of these identifiable net assets,

was allocated to goodwill.

As of December 31, 2022, the Company was still in the process of executing a detailed allocation of the total purchase price and balances related to Caviar Group therefore remain subject to adjustment based on the final measurement of the acquired assets and liabilities. The preliminary fair value adjustments on the intangible assets (€17.5 million) mainly related to the acquired customer relationships (€8.4 million), trade names (€7.3 million) and other intangible assets subject to amortization, mainly consisting of TV- and film formats (€1.8 million). The deferred tax adjustment resulting from the preliminary purchase price allocations amounted to -€4.4 million and is reported under non-current deferred tax liabilities. The provisional amount of goodwill recognized from the acquisition of Caviar Group amounts to €39.5 million.

As a result of the acquisition of Caviar Group, the Company acquired in total €12.3 million of trade receivables and €0.5 million of unbilled revenue, of which in total no amounts outstanding were estimated not to be collectible. These receivables relate to a limited number of counterparties with a low credit risk.

A summary of the consideration transferred and the identifiable assets acquired and liabilities assumed for the Caviar Group acquisition at the acquisition date is presented in the following table:

(€ in millions)	Initial IFRS opening balance sheet	Opening balance sheet adjustments	Final IFRS opening balance sheet	Provisional fair value adjustments	Provisional fair value of identifiable net assets
Assets					
Non-current assets:					
Property and equipment	4.2	—	4.2	—	4.2
Goodwill	0.8	(0.8)	—	—	—
Other intangible assets	0.5	—	0.5	17.5	18.0
Investments in and loans to equity accounted investees	1.1	—	1.1	—	1.1
Other assets	0.1	—	0.1	—	0.1
Total non-current assets	**6.7**	**(0.8)**	**5.9**	**17.5**	**23.4**
Current assets:					
Trade receivables	12.3	—	12.3	—	12.3
Other current assets	14.4	—	14.4	—	14.4
Cash and cash equivalents	17.2	—	17.2	—	17.2
Total current assets	**43.9**	**—**	**43.9**	**—**	**43.9**
Total assets acquired	**50.6**	**(0.8)**	**49.8**	**17.5**	**67.3**
Liabilities					
Non-current liabilities:					
Loans and borrowings	(3.5)	—	(3.5)	—	(3.5)
Deferred tax liabilities	—	—	—	(4.4)	(4.4)
Provisions	(0.1)	—	(0.1)	—	(0.1)
Total non-current liabilities	**(3.6)**	**—**	**(3.6)**	**(4.4)**	**(8.0)**
Current liabilities:					
Loans and borrowings	(4.2)	—	(4.2)	—	(4.2)
Trade payables	(1.4)	—	(1.4)	—	(1.4)
Accrued expenses and other current liabilities	(20.9)	—	(20.9)	—	(20.9)
Deferred revenue	(5.7)	—	(5.7)	—	(5.7)
Current tax liability	(1.0)	—	(1.0)	—	(1.0)
Total current liabilities	**(33.2)**	**—**	**(33.2)**	**—**	**(33.2)**
Total liabilities assumed	**(36.8)**	**—**	**(36.8)**	**(4.4)**	**(41.2)**
Total consideration transferred					14.5
Previously held equity interest, at fair value					33.9
Provisional fair value of identifiable net assets acquired					26.1
Non-controlling interests					17.2
Provisional goodwill arising from the acquisition					**39.5**

In the period from October 3, 2022 through December 31, 2022, Caviar Group contributed revenue of €33.7 million and a loss of €0.9 million to the Company's results. If the acquisition had occurred on January 1, 2022, management estimates that consolidated revenue would have been €2,782.5 million, and consolidated operating result for the period would have been €584.3 million.

In determining these amounts, management has assumed that the determined fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on January 1, 2022.

The unallocated goodwill is mainly attributable to the synergies expected to be achieved from integrating the company into the Company's existing business. None of the goodwill recognized is expected to be deductible for tax purposes.

5.24.2 Eltrona Interdiffusion SA

On April 1, 2020, Eltrona Interdiffusion S.A. (“Eltrona”), the Luxembourg cable operator, took over, through a merger, the business of Coditel S.à.r.l. ("SFR-Lux"), a former Telenet subsidiary in Luxembourg. Telenet's ownership in Eltrona is 50%-1 share, and the investment held qualifies as a joint venture, accounted for using the equity method. As per December 31, 2022, the remaining book value of the Company’s investment in Eltrona amounted to €13.0 million (note 5.7.1).

On December 20, 2022, Telenet BV and the founding shareholders signed a share purchase agreement to purchase the remaining 50%+1 shares from the founding shareholders for a total purchase price of €13.0 million. The share purchase agreement did not contain any contingent consideration or other purchase price adjustment mechanisms. At the same time, the Denzle family acquired 100% of the shares of Eltrona Security Systems S.A. which was, until then, a 100% subsidiary of Eltrona Interdiffusion S.A. Closing date of these transactions was January 2, 2023. Telenet determined that as of January 2, 2023, in accordance with IFRS 10, following the purchase of the remaining shares, (i) it obtained control over Eltrona and (ii) this transaction qualified as a business combination achieved in stages. The acquisition did not require any regulatory approval. As part of accounting for the business combination, the Company is required to remeasure its previously held interest in Eltrona Interdiffusion at fair value. As per December 31, 2022, the Company already remeasured its equity investment in Eltrona Interdiffusion to its fair value as set out in Note 5.7.1. Consequently, it is expected that the 2023 step acquisition will not result in the recognition of a significant gain or loss on previously held equity investments in its consolidated statement of profit or loss in 2023. This acquisition unlocks new opportunities for both Telenet and Eltrona. It offers the Company the opportunity to evolve as a telecommunications operator in a broader market.

The Company is still in the process of executing a detailed allocation of the total purchase price. The preliminary opening balance sheet is therefore subject to adjustment based on the Company’s assessment of the fair values of the acquired identifiable assets and liabilities. The items with the highest likelihood of changing upon the valuation process include property and equipment, intangible assets associated with customer relationships, deferred taxes and goodwill.

A summary of the purchase price and the identifiable assets acquired and liabilities assumed for the Eltrona acquisition at the acquisition date is presented in the following table:

(€ in millions)	Initial IFRS opening balance sheet	Provisional opening balance sheet adjustments	Provisional IFRS opening balance sheet
Assets			
Non-current assets:			
Property and equipment	43.4	(14.7)	28.7
Other intangible assets	13.9	(11.5)	2.4
Total non-current assets	**57.3**	**(26.2)**	**31.1**
Current assets:			
Inventories	3.1		3.1
Trade receivables	1.2		1.2
Other current assets	8.2		8.2
Cash and cash equivalents	0.2		0.2
Total current assets	**12.7**	**—**	**12.7**
Total assets acquired	**70.0**	**(26.2)**	**43.8**
Liabilities			
Non-current liabilities:			
Deferred tax liabilities	(5.1)	5.1	—
Total non-current liabilities	**(5.1)**	**5.1**	**—**
Current liabilities:			
Trade payables	(2.9)	—	(2.9)
Accrued expenses and other current liabilities	(10.4)	—	(10.4)
Provisions	(2.9)	—	(2.9)
Deferred revenue	(0.1)	—	(0.1)
Current tax liability	(1.8)	—	(1.8)
Total current liabilities	**(18.1)**	**—**	**(18.1)**
Total liabilities assumed	**(23.2)**	**5.1**	**(18.1)**
Total consideration transferred			13.0
Previously held equity interest, at fair value			13.0
Provisional fair value of identifiable net assets acquired			25.7
Non-controlling interests			—
Provisional goodwill arising from the acquisition			**0.3**

The accounting of the acquisition will be revised based on the ongoing purchase price allocation which will be completed within one year of the date of acquisition.

For the year ended December 31, 2022, Eltrona realized a total revenue of €30.4 million and a net loss of -€3.2 million. For the year ended December 31, 2022, the Company incurred acquisition-related costs of €0.1 million of legal fees and due diligence costs. These have been included in 'Selling, general and administrative expenses'.

5.24.3 Fabiola Group BV

Until December 31, 2022, Woestijnvis NV, a wholly owned subsidiary of the Telenet group, owned 50% of the shares in Fabiola Group BV, while the other 50% was held by a third party, Lecter Media NV. Fabiola Group BV is a Belgian holding company, holding a:

- 95.04% stake in the Dutch entity "Fabiola BV"; and

– 90% stake in the German entity “Fabiola GmbH”.

Fabiola Group BV has control over the Dutch entity Fabiola BV. Although Fabiola Group BV owns a 90% stake in Fabiola GmbH, it does not have control over this latter entity due to certain existing material veto rights.

On December 29, 2022, Roses are Blue BV, a subsidiary of Telenet, and the shareholders of Lecter Media NV signed a share purchase agreement pursuant to which Telenet would purchase the remaining 50% shares of Fabiola Group BV for a consideration of €5.0 million and a maximum earn out amount of €0.6 million based on the 2022 EBITDA. The agreed upon transaction became effective as from January 2, 2023. As a consequence, the January 2, 2023 transaction is considered to qualify as a business combination achieved in stages.

The acquisition of Fabiola Group is in line with the Company's long-term entertainment strategy and investments in the media landscape. The Fabiola Group was a joint venture of the production companies Lecter Media and Woestijnvis, with the intention of joining forces in the Dutch and German television markets in order to develop their own programs and produce and offer shareholders' formats on an exclusive basis in these markets. With this acquisition of Fabiola Group by Roses are Blue, the Company can move its formats across its borders and produce them in markets outside Flanders.

As Telenet initially will not control the German entity, only Fabiola Group BV and the Dutch entity Fabiola BV will be consolidated. The 90% stake in Fabiola GmbH will be accounted for as an equity investment. As part of the purchase of the remaining 50% stake in Fabiola Group BV, Telenet reached an agreement on a change in the shareholders' agreement with respect to Fabiola GmbH applicable as from January 1, 2025 onwards upon which certain important veto rights will lapse and as a result Telenet will obtain control over Fabiola GmbH.

The Company is still in the process of performing a detailed allocation of the total consideration transferred and the balances related to Fabiola Group shown below therefore remain subject to adjustment based on the final measurement of the acquired assets and liabilities. The items with the highest likelihood of changing upon the valuation process include intangible assets associated with tradenames, customer relationships, deferred taxes and goodwill. A summary of the consideration transferred and the identifiable assets acquired and liabilities assumed for the Fabiola acquisition at the acquisition date is presented in the following table:

(€ in millions)	Initial IFRS opening balance sheet	Opening balance sheet adjustments	Provisional IFRS opening balance sheet
Assets			
Non-current assets:			
Property and equipment	0.2	—	0.2
Investments in and loans to equity accounted investees	1.1	—	1.1
Other assets	0.1	—	0.1
Total non-current assets	**1.4**	**—**	**1.4**
Current assets:			
Trade receivables	1.6	—	1.6
Other current assets	1.4	—	1.4
Total current assets	**3.0**	**—**	**3.0**
Total assets acquired	**4.4**	**—**	**4.4**
Liabilities			
Non-current liabilities:			
Loans and borrowings	(0.4)	—	(0.4)
Total non-current liabilities	**(0.4)**	**—**	**(0.4)**
Current liabilities:			
Trade payables	(1.1)	—	(1.1)
Accrued expenses and other current liabilities	(0.6)	—	(0.6)
Current tax liability	0.1	—	0.1
Total current liabilities	**(1.6)**	**—**	**(1.6)**
Total liabilities assumed	**(2.0)**	**—**	**(2.0)**
Total consideration transferred			5.5
Provisional fair value of previously held equity interest			0.3
Provisional fair value of identifiable net assets acquired			2.4
Provisional goodwill arising from the acquisition			**3.4**

For the year ended December 31, 2022, Fabiola BV realized a total revenue of €5.2 million and a net profit of €0.4 million. For the year ended December 31, 2022, the Company incurred acquisition-related costs of €1.2 million, consisting of legal fees and due diligence costs. These have been included in 'Selling, general and administrative expenses'.

5.25 Non cash investing and financing transactions

(€ in millions)	For the year ended December 31,	
	2022	2021
Acquisition of assets in exchange for lease obligations	359.9	49.5
Acquisition of assets in exchange for vendor financing obligations	64.7	45.6
Acquisition of spectrum licenses in exchange for other debt obligations	393.7	—
Acquisition of assets in exchange for other lease and leaseback financing obligations	9.0	—
Acquisition of sports broadcasting rights in exchange for investing obligations	1.8	60.4

As part of the aforementioned agreement between Telenet Group NV and Belgium Tower Partners NV, the company recognized in 2022 right of use assets related to land and location leases and sold passive mobile network infrastructure, for an amount of €284.1 million and other lease - leaseback financing liabilities for an amount of €9.0 million (see also Note 5.13.7 and Note 5.29).

Following the mobile spectrum auctions of 2022, Telenet obtained a license on the 2G, 3G and 5G spectrum bands for a consideration consisting of a so-called “unique fee” and “annual fees” (see Note 5.6). Telenet made use of the option to pay the "unique fee" in yearly installments, with the application of an interest rate calculated on a yearly basis (EURIBOR 1 year + 2%). The “annual fee" is a spectrum availability fee and is due regardless of whether the spectrum is used or not and is subject to an annual indexation adjustment (i.e. the consumer price index). In respect of the acquired licenses, the Company recognized a new Spectrum license liability for a total amount of €393.7 million, consisting of the unique fee as well as the annual fees liabilities.

Acquisition in sports broadcasting rights in exchange for investing obligations in 2021 mainly related to newly acquired sports rights for FA premier league (seasons 2022-2025).

5.26 Commitments and contingencies

5.26.1 Pending litigations

Interkabel Acquisition

On November 26, 2007, Telenet and the PICs announced a non-binding agreement-in-principle to transfer the analog and digital television activities of the PICs, including all existing subscribers to Telenet. Subsequently, Telenet and the PICs entered into a binding agreement (the "2008 PICs Agreement"), which closed effective October 1, 2008. Beginning in December 2007, Proximus NV/SA ("Proximus"), the incumbent telecommunications operator in Belgium, instituted several proceedings seeking to block implementation of these agreements. Proximus lodged summary proceedings with the President of the Court of First Instance of Antwerp to obtain a provisional injunction preventing the PICs from effecting the agreement-in-principle and initiated a civil procedure on the merits claiming the annulment of the agreement-in-principle. In March 2008, the President of the Court of First Instance of Antwerp ruled in favor of Proximus in the summary proceedings, which ruling was overturned by the Court of Appeal of Antwerp in June 2008. Proximus brought this appeal judgment before the Belgian Supreme Court (Hof van Cassatie / Cour de Cassation), which confirmed the appeal judgment in September 2010. On April 6, 2009, the Court of First Instance of Antwerp ruled in favor of the PICs and Telenet in the civil procedure on the merits, dismissing Proximus’ request for the rescission of the agreement-in-principle and the 2008 PICs Agreement. On June 12, 2009, Proximus appealed this judgment with the Court of Appeal of Antwerp. In this appeal, Proximus also sought compensation for damages. While these proceedings were suspended indefinitely, other proceedings were initiated, which resulted in a ruling by the Belgian Council of State in May 2014 annulling (i) the decision of the PICs not to organize a public market consultation and (ii) the decision from the PICs’ board of directors to approve the 2008 PICs Agreement. In December 2015, Proximus resumed the civil proceedings pending with the Court of Appeal of Antwerp seeking to have the 2008 PICs Agreement annulled and claiming damages of €1.4 billion. On December 18, 2017, the Court of Appeal of Antwerp rejected Proximus’ claim in its entirety. On June 28, 2019,Proximus brought this appeal judgment before the Belgian Supreme Court (Hof van Cassatie / Cour de Cassation). On 22 January 2021 the Supreme Court partially annulled the judgment of the Court of Appeal of Antwerp. The case will be referred to the Court of Appeal of Brussels. This Court will need to make a new decision on the matter within the boundaries of the annulment by the Supreme Court. It is likely that it will take this other Court of Appeal several years to decide on the matter.

No assurance can be given as to the outcome of these or other proceedings. However, an unfavorable outcome of existing or future proceedings could potentially lead to the annulment of the 2008 PICs Agreement. There can be no assurances that the ultimate resolution of this matter will not have a material adverse impact on Telenet’s results of operations, cash flows or financial position (although Telenet does not expect this to be the case). No amounts have been accrued by us with respect to this matter as the likelihood of loss is not considered to be probable.

Litigation regarding cable access

In June 2018, the Belgisch Instituut voor Post en Telecommunicatie and the regional regulators for the media sectors (together, the Belgium Regulatory Authorities) adopted a new decision finding that Telenet has significant market power in the wholesale broadband market (the 2018 Decision). The 2018 Decision imposes on Telenet the obligations to (i) provide third-party operators with access to the digital television platform (including basic digital video and analog video) and (ii) make available to third-party operators a bitstream offer of broadband internet access (including fixed-line telephony as an option). On May 26, 2020, the Belgium Regulatory Authorities adopted a final decision regarding the “reasonable access tariffs” (the 2020 Decision) and became

effective on July 1, 2020. Telenet appealed the 2018 Decision which was rejected by the Brussels Court of Appeal on September 4, 2019.

The 2020 Decision aims to, and in its 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. The extent of any such adverse impacts ultimately will be dependent on the extent that competitors take advantage of the resale access afforded to Telenet's network, the rates that Telenet receives for such access and other competitive factors or market developments.

Orange request for access to Coditel's network

On February 11, 2016, Orange Belgium SA ("Orange") made an official request for access to the cable network of Coditel, which was acquired by Telenet Group on June 19, 2017. On February 19, 2016, Orange transferred a sum of €600,000 to Coditel as required to launch the six-month implementation period to put in place the necessary measures to give Orange access to the cable network pursuant to the July 2011 Decision. In principle, the implementation period ended on August 19, 2016. As Orange had not yet obtained effective access to Coditel's network in December 2016, Orange brought a claim for damages against Coditel on December 29, 2016 in front of the French-speaking Commercial Court of Brussels. Orange claimed to have suffered a loss of €8,973 per day of delay. On January 16, 2017, Orange also initiated interim proceedings, but these have in the meantime been withdrawn. On November 14, 2019, Orange revised its claim to a lump-sum amount of €10,021,040.

The proceedings in front of the French-speaking Commercial Court of Brussels are still ongoing. Coditel considers that Orange has in the meantime obtained effective access to Coditel's cable network.

Copyright related legal proceedings

The issue of copyrights and neighboring rights to be paid for the distribution of television has during the last two decades given rise to a number of litigations. Already in 1994, the Belgian Radio and Television Distributors Association (Beroepsvereniging voor Radio- en Televisiedistributie / Union professionnelle de radio et de télédistribution) (the "RTD", renamed afterwards to "Cable Belgium") was involved in discussions with various copyrights collecting agencies regarding the fees to be paid to the latter for the analogue broadcasting of various television programs. In November 2002, the RTD, together with certain Belgian cable operators (among which Telenet), began reaching settlements with the copyright collecting agencies and broadcasters. Pursuant to those settlement agreements, to which Telenet acceded, Telenet agreed to make certain upfront payments as well as to make increased payments over time. Consequently, in August 2003, Telenet increased the copyright fee it charges its subscribers. In July 2004, the Association for the Collection, Distribution and Protection of the Rights of the Artists, Interpreters and Performers (CVBA Vereniging voor de inning, repartitie en de verdediging van de vertolkende en uitvoerende kunstenaars) ("Uradex", later renamed to "Playright") filed a claim against the RTD for €55 million plus interest concerning neighboring rights owed by the members of the RTD to artists and performers represented by Uradex during the period from August 1994 through the end of July 2004.

After the roll-out of digital television, Telenet in 2006 started a judicial procedure against a number of collecting agencies. This procedure is related to a discussion between Telenet and these collecting agencies about the legal qualification of (i) simulcast (i.e. channels distributed both in analogue and in digital quality), (ii) direct injection (i.e. channels delivered to the distributor over a non-publicly accessible transmission channel) and (iii) all rights included contracts (i.e. contracts in which broadcasters engage to deliver their signals and programs after having cleared all rights necessary for the communication to the public over the distributor's networks).

On April 12, 2011, the Court of First Instance of Mechelen rendered a positive judgment in the procedure against Sabam, Agicoa, Uradex and other collecting agencies, and as part of which procedure several collecting agencies (Sabam not included) filed counterclaims against Telenet for the payment of the invoices that Telenet disputed. The Court validated Telenet's arguments in each of the claims and counterclaims that were the subject of the procedure and, as a result: (i) no retransmission fees have to be paid by Telenet in case of direct injection of a broadcaster's signal into Telenet's network, (ii) no retransmission fees have to be paid in case of simulcast of an analog and digital signal (and consequently, Telenet does not have to pay extra for the distribution of linear digital television signals) and (iii) all-rights-included contracts are deemed legally valid, which means that if Telenet agrees with a broadcaster that the latter is responsible for clearing all copyrights, Telenet is not liable towards the collecting agencies. The collecting agencies lodged an appeal (see below).

Since Sabam had not filed any counterclaim for the payment of invoices as part of the aforesaid judgment, on April 6, 2011, Sabam (not the other collecting agencies) initiated judicial proceedings before the Commercial Court of Antwerp, claiming payment by Telenet of invoices relating to (a) fees for a period from January 1, 2005 until December 31, 2010 for Telenet's basic digital television package, and (b) fee advances for the first semester of 2011 for Telenet's basic and optional digital television packages. The claims mainly related to (i) direct injection and (ii) all-rights-included contracts. Sabam's claim was based on arguments substantially similar to those rejected by the Court of First Instance in Mechelen on April 12, 2011. As discussed below, Sabam has asked the Commercial Court of Antwerp to withdraw these claims as Sabam has filed similar claims in the pending proceedings before the Brussels Court of Appeal. Simultaneously, Sabam initiated a summary procedure before the President of the Commercial Court of Antwerp, to receive provisional payment of the contested fees and fee advances. On June 30, 2011, the President of the Commercial Court of Antwerp rendered a positive judgment for Telenet in this procedure. Sabam lodged an appeal. On June 27, 2012, the Court of Appeal of Antwerp confirmed this judgment and dismissed the claim in summary proceedings of Sabam.

In the case of the appeal against the judgment of April 12, 2011 of the Court of First Instance of Mechelen, the Court of Appeal of Antwerp rendered an intermediate ruling on February 4, 2013. The Court of Appeal rejected the claims of the collecting societies with regard to simulcasting and confirmed that direct injection is a single copyright relevant operation (royalties should therefore be paid only once). The case was re-opened to allow the collecting societies to provide further proof of their actual claims. On January 20, 2014 and on May 5, 2014, respectively, Numéricable (previously Coditel) and Telenet appealed this intermediate ruling before the Supreme Court mainly because of the incorrect qualification of the fees to be paid for the communication to the public as if it would be "retransmission" rights.

The Supreme Court has issued its judgment in this matter on September 30, 2016. The Supreme Court accepted the argument of Telenet that direct injection only involves a single communication to the public and therefore cannot constitute "retransmission" as this requires two communications to the public. The Supreme Court has referred the case to the Court of Appeal of Brussels, where the case has been activated upon request of Sabam.

In the context of these proceedings Sabam has filed a counterclaim for copyrights due as from 2005 to 2016 (all claims combined), withdrawing its claims that were pending before the Antwerp Commercial Court. The trial date was scheduled on September 23, 24 and 30, 2019. At the hearing the parties agreed that the Court of Appeal of Brussels would only render a decision part of the claims covering the situation of exclusive direct injection prior to July 1, 2019. July 1, 2019 is the date on which the Belgian law of November 25, 2018 governing direct injection entered into force. This law confirms that, except in cases whereby the distributor is a mere technical provider of the broadcaster, direct injection constitutes one communication to the public, which is however performed by both the broadcaster and the distributor (which are both liable for their respective contributions to such communication). The new law furthermore imposes transparency in relation to copyright payments and levies. The preparatory work of the law provides that broadcasters and distributors can make contractual arrangements in relation to the clearance and payment of the right for direct injection, and confirms as well that double payments and 'anomalies' shall be avoided.

By judgment of March 10, 2020 the Court of Appeal of Brussels rendered an interlocutory decision only dealing with "direct injection". The Court decided that exclusive direct injection does not qualify as "cable transmission" (as always has been argued by Telenet) and is one single communication to the public. The Court, however, decided that this communication by the public is done by Telenet as its distribution service is not purely technical in nature. Hence, Telenet needs in principle the authorization from rightholders except if the broadcaster has already obtained copyright clearance for the communication to the public.

Furthermore, the Court of Appeal of Brussels decided that the mere existence of ARI-agreements with broadcasters ("all-rights-included" agreements) is not enough for Telenet to avoid copyright liability. Despite an ARI-agreement in place, the rightholder can always directly claim compensation from Telenet. Telenet, however, can reclaim payment from an ARI-broadcaster.

A new round of trial briefs has been organized to deal with the open questions: which broadcasters fall under the definition of exclusive direct injection, what is the copyright status of non-exclusive direct injection, what is the concrete scope and impact of the ARI-agreements, etc. Also the counterclaims of the collecting societies (including the claims on compensation) will still need to be dealt with. A final judgment on these issues is not to be expected before end 2023.

The concrete financial impact of this matter will depend on the qualification of the broadcasting activity and the rights the broadcasters have cleared with the right holders.

Cyclocross

In 2015, Telenet acquired exclusive broadcasting rights with regard to the UCI Worldcup cyclocross races and the Superprestige cyclocross races. On September 16, 2015, Proximus filed a complaint with the Belgian Competition Authority ("BCA"). In the complaint, Proximus alleges that cyclocross broadcasting rights are premium rights and that the acquisition by Telenet of exclusive broadcasting rights on UCI Worldcup races and Superprestige races, without a competitive bidding process, forecloses competing TV-distributors. At the same time, Proximus filed a request for interim measures regarding the Superprestige races.

On November 5, 2015, the BCA partially granted the request for interim measures by giving two alternatives concerning the Superprestige races. Telenet and the organizers of the Superprestige races could either (i) waive the exclusivity and grant sublicenses, or (ii) organize a competitive bidding process. Telenet filed an appeal against the BCA's interim measures decision with the Brussels Court of Appeal. Telenet's appeal was however dismissed on September 7, 2016.

Telenet and the organizers of the Superprestige agreed to waive the exclusivity of the Superprestige broadcasting rights and Proximus obtained a non-exclusive license from the organizers as from season 2016/2017. Furthermore, Telenet voluntarily granted a sublicense to Proximus in respect of the UCI World Cup races.

The BCA's investigation on the merits regarding Proximus' complaint is still ongoing.

Pylon taxes

Since the second half of the 1990s, certain municipalities and certain provinces have levied local taxes, on an annual basis, on pylons, masts and/or antennas dedicated to mobile telecom services located on their territory, on the basis of various municipal, provincial and regional regulations. These taxes have systematically been contested by Telenet Group NV (formerly BASE Company NV) ("Telenet Group") before the Courts on various grounds.

In particular, Telenet Group has argued that such tax regulations are discriminatory because they apply only to pylons, masts and antennas dedicated to mobile telecom services and not to comparable equipment used for other purposes (whether telecom-related or not). Telenet believes that there is no objective and reasonable justification for such differentiated tax treatment. Telenet is therefore of the view that the contested tax regulations violate the general non-discrimination principle. The Courts have in a number of instances accepted this argument (for example the positive judgments of the Supreme Court of September 25, 2015 and December 20, 2018), although the Court of Appeal of Brussels has also rejected the discrimination argument in other cases (for example in procedures involving Proximus, Orange Belgium and the commune of Schaarbeek and a procedure involving Telenet Group and the province of Brabant Wallon). There are also several procedures pending before the Supreme Court to clarify the scope of the non-discrimination argument.

Telenet Group NV also takes the view that some of the contested tax regulations violate its property right. The Brussels Court of First Instance has accepted this argument on December 7, 2018 in a case involving Orange Belgium and the commune of Uccle. There was also a question as to whether article 98 §2 of the Belgian law of March 21, 1991 on the reform of certain public economic companies (the "1991 Law") prohibits municipalities from taxing the economic activity of telecom operators on their territories through the presence (whether on public or private domain) of mobile telephone pylons, masts or antennas dedicated to this activity. The Belgian Constitutional Court held on December 15, 2011 that this was not the case. That interpretation was confirmed by the Belgian Supreme Court in its judgments of March 30, 2012.

In the case between Telenet Group NV and the City of Mons, the European Court of Justice ruled on October 6, 2015 that the municipal tax on GSM pylons levied by the City of Mons, as disputed by Telenet Group NV, does not fall within the scope of Article 13 of Directive 2002/20/EC of the European Parliament and of the Council of March 7, 2002 on the authorization of electronic communications networks and services (the "Authorization Directive") and is therefore not prohibited on the basis of Article 13 of the Authorization Directive.

On February 15, 2019 the Flemish Government has adopted a circular letter which includes some recommendations towards the local authorities on how to tax the pylons of the mobile operators. Following the publication of this circular letter, Telenet observes a substantial increase in the number of Flemish communes that levy a tax on these pylons.

Telenet intends to continue challenging any local tax regulations applicable to its mobile telecom equipment. As per 31 December, 2022, Telenet has recognized a provision of €62.9 million in this respect. Telenet and the KPN Group have moreover agreed on certain recourse arrangements in respect of certain (pre-2015) Pylon taxes in their sale and purchase agreement with respect to

BASE Company NV. It can however not be excluded that other taxes on telecom equipment will in the future be imposed, which may have a significant negative financial impact on Telenet.

Lucerne

As from May 2018, Lucerne Capital, a shareholder of Telenet Group Holding NV reporting a 3.06% shareholding (since 10 December 2021 dropped below 3.00% - see 8.3.3 Shareholders), has expressed, through often public correspondence and messaging certain policy proposals towards Telenet Group Holding NV, as well as made certain allegations aimed at Telenet's directors, CEO and majority shareholder, Liberty Global plc. Such proposals and allegations have also been accompanied by the (attempted) exercise by Lucerne of certain shareholder rights in the context of Telenet Group Holding NV's shareholder meetings. On November 12, 2018, Lucerne Capital Management LP served a writ of summons on Telenet Group Holding NV, requesting the Commercial Court to appoint an expert to investigate certain matters in relation to governance, information exchange and related party transactions, in accordance with article 168 of the Belgian Companies Code. Article 168 of the Belgian Companies Code requires the claimant (Lucerne) to prove - among others- grave indications that the interest of the Company is prejudiced or may be prejudiced. On February 13, 2020, the Brussels Enterprise Court (Dutch speaking) ruled the claim by Lucerne Capital Management LP inadmissible for lack of capacity as it itself does not hold shares in Telenet Group Holding NV, while reopening the procedure to allow the parties in the litigation procedure to debate the admissibility of an intervention request made earlier by Lucerne Capital Master Fund LP, and in particular on whether or not such intervention request would qualify as the 'writ of summons' referred to in article 169 of the (old) Belgian Companies Code. This reopened procedure remains pending before the Brussels Enterprise Court. Telenet Group Holding NV's Board has consistently engaged with Lucerne Capital in a constructive manner and denies any allegations of wrongdoing, and maintains that the claim to appoint an expert as referred to above is not admissible and without merit in a case such as Telenet.

Data network of the future – Fluvius transaction

1. Council of State

On August 3, 2022, Eurofiber NV ("Eurofiber") has filed a request to suspend Fluvius System Operator CV's ("Fluvius") decision to execute the agreements at the basis of the transaction announced on July 19, 2022, pending annulment procedure ('extreme urgency proceedings'), on the basis of public law, competition and state aid arguments. Telenet BV has intervened in these proceedings. Following pleadings on August 23, 2022, the Council of State has rejected the suspension request, judging 'prima facie' that (i) the deal does not qualify as being subject to public tender legislation, (ii) the prejudice Eurofiber claims is not causally connected to the Fluvius decisions it sought suspension for and (iii) Eurofiber did not show the required urgency given it waited until August 2022 to launch proceedings. Eurofiber nevertheless pursued a claim on the merits, in which Telenet has also intervened.

2. Summary proceedings Commercial Court Ghent

On August 12, 2022, Eurofiber has served summons to appear on Telenet BV and Fluvius, including a claim for suspension of the transaction, again on the basis of public law, competition and state aid arguments. The Ghent Commercial Court rejected this claim on October 19, 2022, among others on the basis of lack of the required urgency given timing of the proceedings. No further developments have taken place in these proceedings.

3. Council of State – Proximus

On September 19, 2022, Proximus NV 'of public law' ("Proximus") has filed a request to annul Fluvius' decision to execute the agreements at the basis of the transaction announced on July 19, 2022 on the basis of public law arguments, including a link with the Interkabel Acquisition litigation referred to above. Telenet has intervened in these proceedings.

4. Information requests – Proximus and Eurofiber

On July 25, 2022 Eurofiber filed an appeal in relation to Fluvius' decision not to provide documentation in relation to the transaction announced on July 19, 2022, requested under freedom of information. This appeal was rejected on October 28, 2022, following which Eurofiber has appealed such rejection before the Council of State, in which Telenet has requested to intervene.

On August 1, 2022 Proximus launched a similar appeal, which was equally rejected on October 28, 2022, following which it equally appealed such rejection before the Council of State, in which Telenet has also requested to intervene.

5. Complaint with Flemish secretary of state / agency for internal governance

Proximus filed formal complaints with the Flemish agency for internal governance (Agentschap voor Binnenlands Bestuur) and the Flemish competent secretary of state, requesting to annul the decisions of ten intermunicipal companies, which are shareholder of Fluvius, to amend their articles of asscociation, as part of their pre-restructuring exercise. A decision on the complaint is expected in late April 2023. Despite the fact that this complaint is still pending, Proximus, not awaiting the outcome thereof filed February 21, 2023, Proximus filed requests to annul these decisions of each of ten of the intermunicipal companies which are shareholder of Fluvius.

No assurance can be given as to the outcome of these or other proceedings. However, an unfavorable outcome of existing or future proceedings could potentially lead to the annulment of the transaction announced on July 19, 2022. There can be no assurances that the ultimate resolution of this matter will not have a material adverse impact on Telenet's results of operations, cash flows or financial position (although Telenet does not expect this to be the case). No amounts have been accrued by us with respect to this matter as the likelihood of loss is not considered to be probable.

5.26.2 Other contingent liabilities

In addition to the foregoing items, Telenet has contingent liabilities related to matters arising in the ordinary course of business including (i) legal proceedings, (ii) issues involving VAT and wage, property and other tax issues, (iii) disputes over certain contracts and (iv) disputes over programming, copyright fees and alleged patent infringements. While Telenet generally expects that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts Telenet has accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on Telenet's results of operations or cash flows in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, the Company cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

5.27 Related parties

The related parties of the Company mainly comprise its shareholders that have the ability to exercise significant influence or control. This consisted of the Liberty Global Consortium for both 2022 and 2021. Related parties further include transactions with Ads & Data NV, Doccle Bv and Doccle.Up NV, Idealabs Telenet Fund NV, Unit-T NV, Eltrona Interdiffusion S.A.,Triangle Factory BV, Recneps NV , Streamz BV, Caviar Group NV and SBS Media NV.

The following tables summarize material related party balances and transactions for the period:

5.27.1 Statement of financial position

	For the year ended December 31,	
(€ in millions)	2022	2021
Trade receivables		
Liberty Global Consortium (parent)	0.5	0.3
Joint Ventures	1.0	1.0
Associates	3.8	0.1
Trade payables and accrued trade liabilities		
Liberty Global Consortium (parent)	13.4	7.6
Joint Ventures	4.6	5.1
Associates	—	—
Loans and borrowings receivable		
Joint Ventures	1.7	5.5
Associates	4.7	4.0
Property and equipment		
Liberty Global Consortium (parent)	11.2	11.2
Associates	33.0	32.4
Other Intangible assets		
Liberty Global Consortium (parent)	6.2	5.7

The transactions with the entities of the Liberty Global Consortium mainly consisted of the purchase of certain property and equipment and other services within the normal course of business from Liberty Global Technology Services B.V.

The Company has established a purchase policy including clear rules applicable for all transactions with related parties. The policy includes guidelines on proper review, documentation and approval of such transactions, to ensure that all transactions with Liberty Global Consortium (and other related parties) are in correspondence with corporate decision taking, in conformity with article 7:97 of the Belgian Code of Companies and Associations.

The increase of trade payables with Liberty Global Consortium is linked to higher outstanding invoices at the end of the year due to invoices for Centrally Managed Programs and the EOS video entertainment platform.

5.27.2 Statement of profit or loss and other comprehensive income

(€ in millions)	For the year ended December 31,	
	2022	2021
Revenue		
Liberty Global Consortium (parent and associates)	9.6	2.3
Joint Ventures	0.8	1.7
Share in result equity accounted investees		
Joint Ventures	(3.7)	(0.8)
Associates	0.3	1.0
Operating expenses		
Liberty Global Consortium (parent)	22.3	16.2
Joint Ventures	41.9	46.6
Associates	44.1	45.7

In general, costs charged by Liberty Global Consortium include i) specific hardware (external modems and access points) via central purchase contracts, ii) maintenance contracts (third party software which is contracted centrally), iii) treasury services, and iv) marketing costs.

Costs recharged by Telenet to Liberty Global Consortium primarily relate to employee costs: local Telenet employees working on the design and development of a next-generation video platform and implementation of certain features.

Operating expenses for the year ended December 31, 2022 include €86.0 million for transactions with associates and joint ventures, which is a €6.3 million decrease compared to the year ended December 31, 2021 and mainly relates to wholesale fees of Streamz. The balance of €86.0 million for the year ended December 31, 2022 mainly consists of i) transactions with Unit-T for a total amount of €44.2 million, and ii) transactions with Streamz NV for a total amount of €41.2 million.

Operating expenses arising from transactions with Liberty Global Consortium of €22.3 million for the year ended December 31, 2022 mainly relate to the recharge of content costs and content contracts (€9.2 million), centrally purchased maintenance contracts (€6.4 million), technology related contracts (€6.1 million) next to insurance expenses (€0.5 million).

Revenue and other operating income related to transactions with associates and joint ventures was -€2.6 million, which primarily related to transactions with Streamz (-€3.3 million), Eltrona Interdiffusion (-€1.5 million), Caviar Group (€1.6 million) and Unit-T (€1.4 million).

Revenue generated by transactions with Liberty Global Consortium were €9.6 million for the year ended December 31, 2022 and are the result of various recharge agreements related to IP Peering, interconnect and copyright fees and transactions with Virgin Media O² (€8.7 million).

5.27.3 Key management compensation

For purpose of this footnote, key management is identified as people involved in strategic direction of the Company.

(€ in millions)	For the year ended December 31,	
	2022	2021
Salaries and other short-term employee benefits	6.9	6.6
Post-employment benefits	0.5	0.5
Share-based payments (compensation expense recognized)	5.2	15.5
	12.6	**22.6**

For the twelve months ended December 31, 2022, the Company recognized share-based compensation expense for its key management amounting to €5.2 million (€15.5 million for the twelve months ended December 31, 2021). The decrease is due to:

- a decrease of the stock price, which is used for calculating the accrual of withholding tax and social security charges;
- an adjustment of the expected vesting percentage;
- no new performance share plan;
- compensation restricted shares granted in May but not in December.

5.28 Subsidiaries

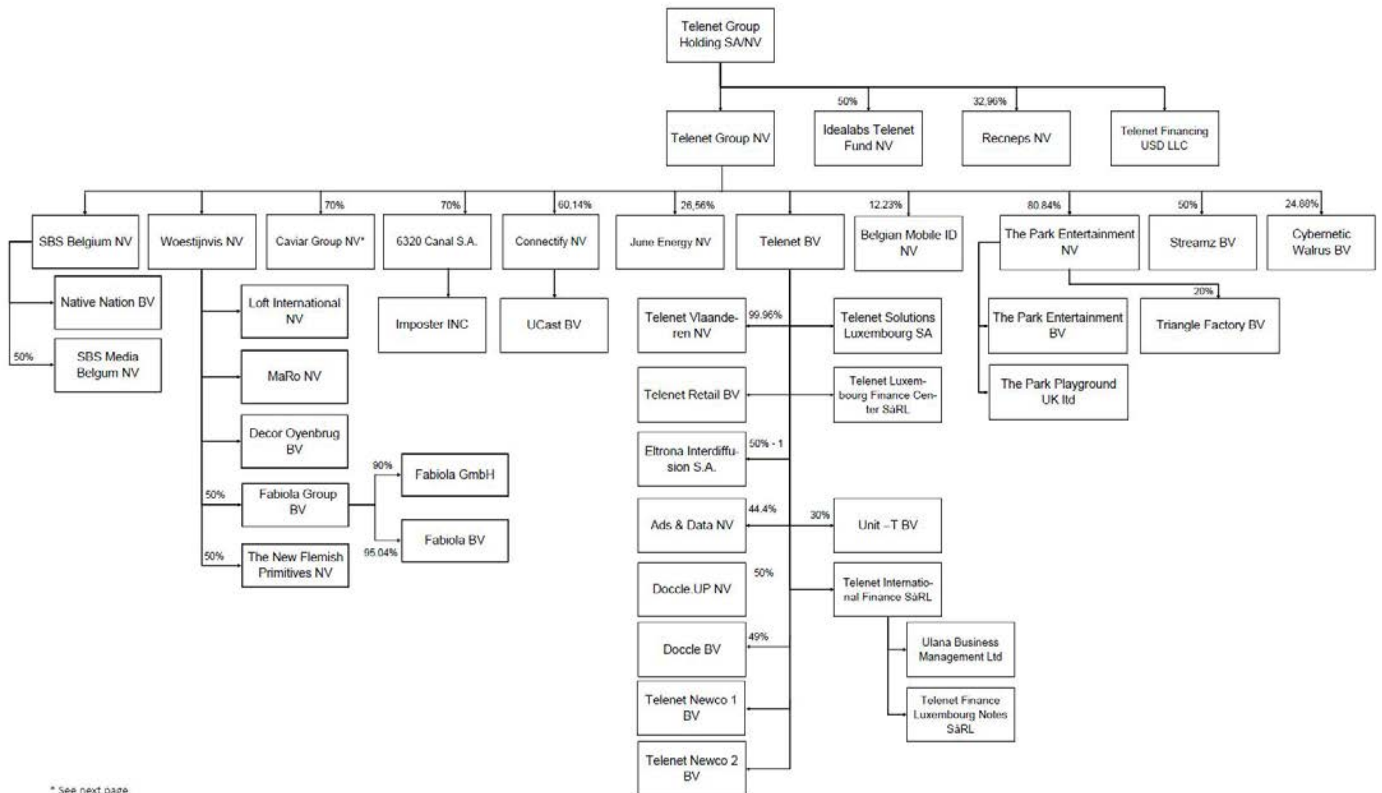
5.28.1 Subsidiaries

Details of the Company's subsidiaries as of December 31, 2022 are as follows:

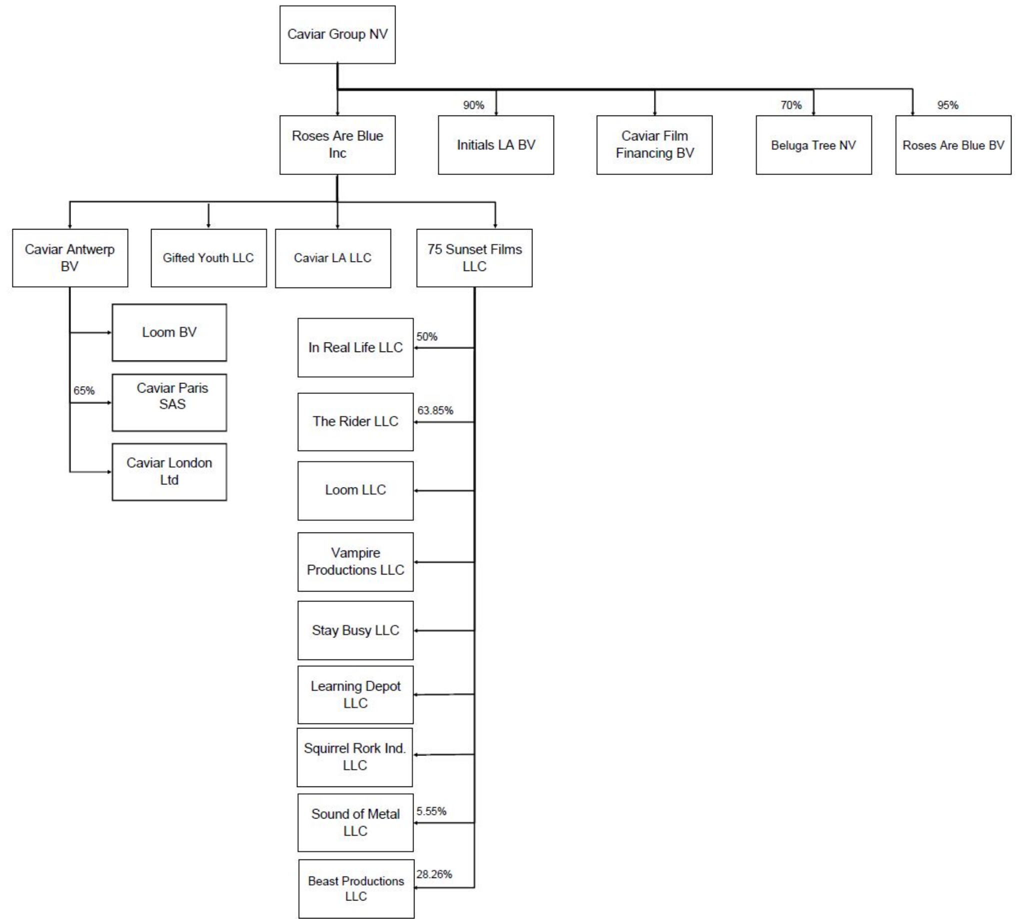
			As of December 31, 2022		As of December 31, 2021	
Company	National number/ Trade Register number	Registered office	% Held	Consolidation Method	% Held	Consolidation Method
Telenet Group Holding NV	0477.702.333	Liersesteenweg 4, 2800 Mechelen, Belgium	— %	Parent company	— %	Parent company
Telenet Group NV	0462.925.669	Liersesteenweg 4, 2800 Mechelen, Belgium	100 %	Fully consolidated	100%	Fully consolidated
Telenet BV	0473.416.418	Liersesteenweg 4, 2800 Mechelen, Belgium	100 %	Fully consolidated	100%	Fully consolidated
Telenet Vlaanderen NV	0458.840.088	Liersesteenweg 4, 2800 Mechelen, Belgium	100 %	Fully consolidated	100%	Fully consolidated
Telenet Retail BV	0813.219.195	Liersesteenweg 4, 2800 Mechelen, Belgium	100 %	Fully consolidated	100%	Fully consolidated
The Park Entertainment NV	0695.802.081	Vlaamse Kaai 30, 2000 Antwerpen, Belgium	80.84 %	Fully consolidated	80.84 %	Fully consolidated
The Park Entertainment BV	77794508	Kastanjelaan 1 136,2-136, 5616LH Eindhoven	80.84 %	Fully consolidated	80.84 %	Fully consolidated
The Park Playground UK	12589973	3rd Floor, Waverley House, 7-12 Noel Street, London, United Kingdom, W1F 8GQ	80.84 %	Fully consolidated	80.84 %	Fully consolidated
The Park Entertainment, Inc.	20040617577886	1960 N. Arboleda, Suite 201, Mesa, 85213 Arizona, USA	80.84 %	Fully consolidated	80.84 %	Fully consolidated
Telenet Solutions Luxembourg S.A.	B-73.305	11, rue de l'industrie, L-8399 Windhof, Luxembourg	100 %	Fully consolidated	100 %	Fully consolidated
Telenet International Finance S.à r.l.	B-155.066	11, rue de l'industrie, L-8399 Windhof, Luxembourg	100 %	Fully consolidated	100 %	Fully consolidated
Telenet Luxembourg Finance Center S.à r.l.	B-155.088	11, rue de l'industrie, L-8399 Windhof, Luxembourg	100 %	Fully consolidated	100 %	Fully consolidated
Ulana Business Management Ltd.	536635	Building P2, Eastpoint Business Park, Clontarf, Dublin 3, Ireland	100 %	Fully consolidated	100 %	Fully consolidated
Telenet Financing USD LLC	856330693	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, United States of America	100 %	Fully consolidated	100 %	Fully consolidated
Telenet Finance Luxembourg Notes S.à r.l.	B-219.682	11, rue de l'industrie, L-8399 Windhof, Luxembourg	100 %	Fully consolidated	100 %	Fully consolidated
Décor Oyenbrug BV	0424.977.784	Harensesteenweg 228, 1800 Vilvoorde, Belgium	100 %	Fully consolidated	100 %	Fully consolidated
Maro NV	0473.053.756	Harensesteenweg 228, 1800 Vilvoorde	100 %	Fully consolidated	100 %	Fully consolidated
SBS Belgium NV	0473.307.540	Harensesteenweg 228, 1800 Vilvoorde, Belgium	100 %	Fully consolidated	100 %	Fully consolidated
Loft International NV	0836.155.638	Harensesteenweg 228, 1800 Vilvoorde, Belgium	100 %	Fully consolidated	100 %	Fully consolidated
Native Nation BV	0651.632.241	Doornelei 1, 2018 Antwerpen, Belgium	100 %	Fully consolidated	100 %	Fully consolidated
Woestijnvis NV	0460.337.749	Harensesteenweg 228, 1800 Vilvoorde, Belgium	100 %	Fully consolidated	100 %	Fully consolidated
The New Flemish Primitives NV	0834.756.660	Huart Hamoirlaan 107, 1030 Schaarbeek, België	50 %	Fully consolidated	50 %	Fully consolidated
Connectify NV	0700.317.531	Sint-Jorisstraat 96, 8730 Beernem, Belgium	60.14 %	Fully consolidated	60.14 %	Fully consolidated
UCast BV	0540.892.685	Sint-Jorisstraat 96, 8730 Beernem, Belgium	60.14 %	Fully consolidated	60.14 %	Fully consolidated
Telenet Newco 1 BV	0787.805.690	Liersesteenweg 4, 2800 Mechelen, Belgium	100 %	Fully consolidated	N/A	Not consolidated
Telenet Newco 2 BV	0787.805.294	Liersesteenweg 4, 2800 Mechelen, Belgium	100 %	Fully consolidated	N/A	Not consolidated
6320 Canal S.A.	B-212.948	35, rue Auguste Neyen, L-2233 Luxembourg, Luxembourg	70 %	Fully consolidated	49 %	Participation
Caviar Antwerp BV	0476.386.596	Liersesteenweg 38E, 2800 Mechelen	70 %	Fully consolidated	N/A	Not consolidated

Beluga Tree NV	0682.619.385	Havenlaan 75, 1000 Brussel	49 %	Fully consolidated	N/A	Not consolidated
Loom BV	0458.891.756	Havenlaan 75, 1000 Brussel	70 %	Fully consolidated	N/A	Not consolidated
Caviar Film Financing BV	0656.722.860	Havenlaan 75, 1000 Brussel	70 %	Fully consolidated	N/A	Not consolidated
Initials LA BV	BE 0807.588.346	Wapenstraat 14 bus 2.01, 2000 Antwerpen	63 %	Fully consolidated	N/A	Not consolidated
Roses Are Blue BV	0669.696.314	Liersesteenweg 38E, 2800 Mechelen	66,5%	Fully consolidated	N/A	Not consolidated
Caviar Group NV	0506.687.022	Havenlaan 75, 1000 Brussel	70 %	Fully consolidated	49 %	Participation
Caviar London LTD	8697077	75 Newman Street, W1T 3EN London, UK	70 %	Fully consolidated	N/A	Not consolidated
Imposter Inc.	4007807	1465 Tamarind Ave, nr. 508, Los Angeles, CA 90028, VSA	70 %	Fully consolidated	N/A	Not consolidated
Caviar LA, LLC	201332410026	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Loom, LLC	201421110047	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
75 Sunset Films, LLC	000194484000	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Roses are Blue, Inc.	8096495	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Stay Busy, LLC	201314110092	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Learning Depot, LLC	201319910162	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Squirrel Rork Industries, LLC	201312010096	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Vampire Productions, Inc.	4153486	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Gifted Youth, LLC	201910110727	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
Hummingbird Film, LLC	202250117268	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	70 %	Fully consolidated	N/A	Not consolidated
The Rider Movie, LLC	20161537482	6320 W Sunset Blvd, Los Angeles, CA 90028, USA	44,8%	Fully consolidated	N/A	Not consolidated

The group chart as of December 31, 2022 was as follows:



Telenet Organization Chart per 31 December 2022



5.28.2 Other consolidated companies

Company	Trade Register Number	Address	% Held	Consolidation Method
Telenet Finance VI Luxembourg S.C.A. [1]	RCS B.171.030	11, rue de l'industrie, L-8399 Windhof, Luxembourg	0 %	Fully consolidated

(1) Telenet Finance VI Luxembourg S.C.A. was incorporated on August 14, 2012 as a structured finance entity ("SE") for the primary purpose of facilitating the offering of one or more High Yield Bonds. This entity was incorporated at the request of the Telenet Group under the laws of the Grand Duchy of Luxembourg and is owned 99.99% by a Dutch charitable trust, called Stichting Telenet Finance VI Luxembourg and 0.01% by Telenet Finance VI S.à.r.l., a 100% affiliate of this Stichting. The Indenture relating to the High Yield Bond offering(s) prohibits the Issuer from engaging in any activities other than certain limited activities permitted. The SE set up for the issuance of High Yield Bond(s) is designed to operate in a predetermined way so that no entity has explicit decision-making authority over the SE's ongoing activities after its formation (i.e. it operates on 'autopilot'). Virtually all rights, obligations, and aspects of activities that could be controlled are predefined and limited by contractual provisions specified or scheduled at inception. It has been determined that the Company has power over the SE, exposure or rights to variable returns from its involvement with the SE and ability to use its power to affect those returns and therefore concluded upon that Telenet Group Holding should consolidate the SE created to issue the High Yield Bond(s).

5.29 Leases

5.29.1 Leases in which the Company is a lessee

Lease liabilities are payable as follows:

(€ in millions)	Total future minimum lease payments		Interest		Future minimum lease payments	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Within one year	152.5	116.7	51.3	24.1	101.2	92.6
In the second to fifth year, inclusive	435.1	301.3	168.0	65.7	267.1	235.6
Thereafter	786.3	231.9	166.9	39.2	619.4	192.7
Total minimum lease payments	**1,373.9**	**649.9**	**386.2**	**129.0**	**987.7**	**520.9**

The following table summarizes the obligations per lease type:

(€ in millions)	Total future minimum lease payments		Interest		Future minimum lease payments	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Canon	464.4	488.4	112.0	118.9	352.4	369.5
Site Rentals	855.8	105.8	270.4	7.5	585.4	98.3
Buildings	29.5	30.8	2.6	1.5	26.9	29.3
Cars	12.1	12.5	0.4	0.2	11.7	12.3
Dark fibre	10.2	11.6	0.7	0.9	9.5	10.7
Laptops	1.9	0.8	0.1	—	1.8	0.8
Total minimum lease payments	**1,373.9**	**649.9**	**386.2**	**129.0**	**987.7**	**520.9**

For the year ended December 31, 2022, the Company recognized interest expenses on lease liabilities for a total amount of €42.6 million (2021: €25.8 million).

The increase in Site Rental related lease liabilities and interest expenses is mainly due to the sale and lease back agreement with Belgium Tower Partners NV (see Note 5.4).

The Company does not have any material short term leases, nor leases representing insignificant amounts.

For the year ended December 31, 2022, total cash outflow for leases amounted to €125.4 million (2021: €111.2 million). The Company has no leases with variable lease payments.

Some leases regarding buildings, as well as the Company's leases of passive mobile infrastructure and sites under the master lease agreement with Belgium Tower Partners NV contain extension options exercisable by the Company. The Company has determined that the extension options are not 'reasonably certain' to be exercised and are not taken into account in the determination of the lease term. The recognized, as well as the potential future lease payments not included in the recognized lease liabilities as per December 31, 2022 can be summarized as follows:

(€ in millions)	Lease liabilities recognized	Potential future lease payments not included in lease liabilities
Buildings	26.8	13.5
Passive mobile infrastructure and sites	585.4	1,798.6
	612.2	**1,812.1**

The main change in the amount of potential future lease payments not included in the recognized lease liabilities as per December 31, 2022 compared to December 31, 2021 is due to the two possible renewal terms under the master lease agreement with Belgium Tower Partners NV.

Canon, Clientele and Annuity agreements

In 1996, the Company acquired the exclusive rights to offer point-to-point services including broadband internet and telephony services, as well as the rights to partly use the capacity of the broadband network owned and controlled by the Pure Intercommunales ("PICs"). In return for this access to a part of the PICs' network, the company paid the so-called Clientele and Annuity Fees. The present value of the Clientele and Annuity Fee payments over the first 20 years (being the life of the longest lived assets that were part of the HFC Upgrade) was initially accounted for as network user rights under intangible assets, and was amortized over 10 or 20 years depending on the useful life of the underlying assets that make up the HFC Upgrade.

Upon completion of the Interkabel acquisition in 2008, the company obtained the ownership and control over the entire network, including the obligation beyond 20 years under the original 50 year Clientele fee agreement and now has the right to use the full capacity of the PICs' network. The term of the Canon Lease Agreement is 38 years (of which still 24 years remained at the end of 2022). Under this agreement, the Company pays recurring Canon Fees which together with the Clientele and Annuity Fees grant full access to the PICs' network. The assets capitalized under the Canon Agreement are depreciated over a period of 15 years. The full access rights acquired under the Canon, Clientele and Annuity agreements are recorded as property and equipment (network) as from October 2008 onwards (see note 5.4).

On the additional rights of use on the Telenet PICs Network, acquired under the Canon agreement, a contractual interest rate was agreed upon which was favorable in comparison with the market interest rate at that moment. Therefore, this favorable component on the initial Canon lease was separated in the purchase price allocation and recognized as a debit to the liability of the underlying existing Canon Lease. The favorable Out of Market component on the future Canon leases acquired as part of the business combination was recognized as network user rights under other intangible assets (see note 5.6).

For the year ended December 31, 2022, the average effective borrowing rate for the three above mentioned fees was 6.25% (2021: 6.25%).

The Clientele fees payable beyond 20 years are recognized as a non-lease related debt.

As per December 31, 2022 and 2021, the outstanding liabilities related to the Interkabel agreements, as well as the net book value of the intangible asset can be summarized as follows:

(€ in millions)	December 31, 2022	December 31, 2021
Outstanding lease debt Annuity / Clientele / Canon		
Annuity agreement	—	0.6
Canon agreement	351.6	368.2
Out of Market Component on initial Canon leases acquired as part of a business combination	—	(0.1)
	351.6	**368.7**
Outstanding non-lease related Clientele debt		
Clientele fee > 20 years	128.5	125.6
Intangible asset related to Canon agreement		
Out of Market Component on future Canon leases acquired as part of a business combination	14.6	15.3

Other leases

With respect to the sale and leaseback transaction with DigitalBridge Investments LLC related to the Company's passive mobile infrastructure, we refer to note 5.13.7.

The Company leases certain assets including buildings, vehicles, dark fiber and laptops. For the year ended December 31, 2022, the average effective borrowing rate with respect to these formerly finance leases was 1.71% (2021: 2.46%). All leases are on a fixed repayment schedule and no arrangements include contingent rental payments.

With respect to certain specific transactions, the Company (acting as 'seller-lessee') transfers an asset to another entity ('buyer-lessor') which is subsequently leased back by the Company. In accordance with IFRS 15, the Company determined that it does not satisfy a performance obligation as the control of the underlying asset to the buyer-lessor is not transferred. As a result, these transactions are accounted for as a financing transaction.

5.29.2 Leases in which the Company is a lessor

Finance leases

Certain customized equipment offerings to business customers qualify as manufacturer or dealer leases. With respect to these finance leases, the Company recognizes (i) revenue, (ii) cost of sales, and (iii) selling profit upon lease commencement in correspondence with its policy for outright sales. At the lease commencement date, the Company recognizes assets held under finance lease as a receivable at an amount equal to the net investment in the lease.

Operating leases

Site sharing agreements in which other operators use the pylons that are the property of Telenet, contain a lease and are determined to be operating leases. As a result, the Company does not derecognize the underlying asset. Future contractual rental payments from the lessee are recognized as income and receivables over the lease term as the payments become receivable. In some cases, site sharing agreements are charged upfront for the whole lease period. In such case, this is recognized as deferred lease income.

Lease income from lease contracts in which the Company is a lessor can be summarized as follows:

(€ in millions)	For the year ended December 31, 2022	For the year ended December 31, 2021
Finance leases	0.8	1.3
Operating leases	1.4	3.0
Total lease income	**2.2**	**4.3**

As of December 31, 2022, the Company carried the following lease receivables and deferred revenue:

(€ in millions)	Lease receivables				Deferred revenue	
	Finance leases		Operating leases		Operating leases	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Less than one year	1.8	1.9	—	6.3	—	0.1
Current lease receivables / deferred revenue	**1.8**	**1.9**	**—**	**6.3**	**—**	**0.1**
One to two years	1.1	1.7	—	—	—	0.1
Two to three years	0.6	1.0	—	—	—	0.1
Three to four years	0.3	0.3	—	—	—	0.1
Five years or more	0.1	0.2	—	—	—	1.0
Non-current lease receivables / deferred revenue	**2.1**	**3.2**	**—**	**—**	**—**	**1.3**
Total lease receivables / deferred revenue	**3.9**	**5.1**	**—**	**6.3**	**—**	**1.4**

5.29.3 Right-of-use assets

The Company leases certain assets including the Canon network, passive mobile infrastructure and sites, buildings, vehicles, laptops and dark fiber. Information with respect to the carrying amount, the depreciation expense and the additions of the underlying right-of-use assets for the years ended December 31, 2022 and 2021 is presented in the table below:

(€ in millions)	Land, buildings, and leasehold improvements	Network	Furniture, equipment, and vehicles	Total
Carrying amount of leases included in property and equipment				
December 31, 2022	26.8	595.8	13.3	**635.9**
December 31, 2021	30.3	425.3	13.5	**469.1**
Depreciation expense				
For the year ended December 31, 2022	12.5	65.6	6.9	**85.0**
For the year ended December 31, 2021	13.4	70.1	6.6	**90.1**
Additions to right-of-use assets				
For the year ended December 31, 2022	7.6	344.7	7.6	**359.9**
For the year ended December 31, 2021	8.0	47.5	7.1	**62.6**

The increase in the network related right-of-use assets is mainly due to the sale and lease back agreement with Belgium Tower Partners NV (see Note 5.4).

5.30 Subsequent events

Telenet acquires Eltrona's activities in Luxembourg

At the end of December 2022, Telenet BV, an indirect wholly-owned subsidiary of Telenet Group Holding S.A. and the founding shareholders of Eltrona Interdiffusion S.A. ("Eltrona") reached an agreement whereby Telenet will acquire all remaining shares of Eltrona, active in the Grand Duchy of Luxembourg. Through this transaction, Telenet will take full ownership of a telecom company outside of Belgium for the first time.

The transaction closed on January 1, 2023 and since that date, Eltrona's activities are consolidated in Telenet's operational and financial figures. For the financial year 2021, Eltrona generated revenue of €30.6 million and realized an Adjusted EBITDA of €5.8 million and a negative Adjusted EBITDA minus property & equipment additions of €2.2 million due to high investments in a new IPTV and video platform. At the end of September 2022, Eltrona had around 50,000 unique customer relationships, serving

approximately 46,000 cable and/or IPTV subscribers, around 16,000 broadband internet RGUs, approximately 8,000 fixed-line telephony subscribers and around 2,000 mobile SIMs. Eltrona currently employs 145 people.

Roses Are Blue acquires a 50% share in the Fabiola Group from Lecter Media

In early January 2023, the production company Roses Are Blue, which is part of the Caviar Group, closed the acquisition of Lecter Media's 50% shareholding in the Fabiola Group. The other 50% shareholding remains in the hands of Woestijnvis, a wholly owned subsidiary of the Telenet group, and as such the Fabiola Group will be a 50/50 JV between Roses Are Blue and Woestijnvis and will be consolidated in the consolidated financial statements of Telenet. The Fabiola Group was established in 2017 by the production companies Lecter Media, De Mensen and Woestijnvis with the intention of joining forces in the Dutch and German television markets in order to develop their own programs and produce and offer shareholders' formats on an exclusive basis in these markets.

Telenet and Orange Belgium sign two commercial wholesale agreements, providing access to each other's HFC and FTTH networks for a 15-year period

At the end of January 2023, Telenet BV, a wholly owned indirect subsidiary of Telenet Group Holding NV and Orange Belgium NV have signed two commercial fixed wholesale agreements (the "Agreements"), subject to the completion of the VOO acquisition by Orange Belgium. The Agreements will provide access to each other's fixed networks on a commercial basis for a 15-year period and will remain in force independently on the evolution of the current regulated open access model. Furthermore, the Agreements cover both current hybrid-fiber coaxial ("HFC") and future fiber-to-the-home ("FTTH") technologies in both network areas.

Through the Agreements, Telenet will be able to access for the first time the VOO cable network in Wallonia and the remaining one-third of Brussels, covering around 1.8 million homes passed today and which is in the process of being acquired by Orange Belgium. Combined with its existing nationwide mobile network and its fixed network in Flanders, parts of Brussels and the boot of Hainaut in Wallonia, Telenet will be able to provide fixed-mobile converged services in the whole of Belgium.

Since 2016, Orange Belgium has provided fixed internet and TV services on Telenet's HFC network through the regulated open access model. Today's commercial arrangement will strengthen this existing relationship for another 15 years. Furthermore, Orange Belgium will become a wholesale customer on Telenet's future FTTH network at pre-agreed terms, increasing network penetration and improving the return on investment on Telenet's investments in fiber. Upon closing of the NetCo joint venture with Fluvius, which is pending EC regulatory approval expected by summer this year, this Agreement will transfer to NetCo, hence strengthening NetCo's fundamentals and attractiveness to potential strategic and/or financial partners.

Voluntary and conditional cash offer by Liberty Global

Mechelen, March 21, 2023 - Telenet Group Holding NV ("Telenet" or the "Company") (Euronext Brussels: TNET) confirms it has been informed by Liberty Global plc ("Liberty Global") about its intention to launch a voluntary and conditional cash offer (the "Intended Offer") for all of the Telenet shares that it does not already own or that are not held by Telenet. Liberty Global has been Telenet's controlling shareholder since 2007 and currently owns, through its wholly owned subsidiary Liberty Global Belgium Holding B.V., 59.18% of Telenet's outstanding issued share capital. An additional 3.12% is held by Telenet as treasury shares following share repurchases in previous years.

The Intended Offer would be an offer in cash at a price of €22.00 per share, corrected for the proposed dividend paid by Telenet prior to the closing of the transaction (the "Offer Price"1). This price represents a premium of 59% compared to closing price of Telenet on March 15, 2023, and a premium of 52% compared to the volume-weighted average trading price of Telenet over one month before such date. The Intended Offer, if launched, would be subject to the conditions that (i) as a result of the Intended Offer, Liberty Global Belgium Holding must, together with Telenet, own at least 95% of the shares in the Company and (ii) no material adverse change occurs with respect to the closing quote of the BEL-20 index and shares of specified market peers of Telenet prior to the date of the announcement of the results of the initial acceptance period of the Intended Offer.

If, following the Intended Offer, Liberty Global Belgium Holding, together with Telenet, own at least 95% of the shares of Telenet and have acquired, by acceptance of the Intended Offer, at least 90% of the shares that are the subject of the Intended Offer, the Intended Offer will be followed by a simplified squeeze-out bid subject to the same financial conditions as the Intended Offer.

In accordance with its obligations under Belgian law, the board of directors, with the support of its financial and legal advisors, has reviewed the Intended Offer and assessed the terms and conditions thereof. Subject to customary conditions being (i) the review of the bid prospectus to be prepared by Liberty Global and the filing thereof with the FSMA in due course and (ii) the completion of the valuation report by Lazard BV/SRL, which has been appointed independent expert by the independent directors of the Company, in accordance with article 23 of the royal decree of 27 April 2007 on public takeovers, Telenet's board of directors unanimously

supports and recommends the Intended Offer. The Board of Directors will provide its formal opinion in a response memorandum which it will issue in accordance with the applicable legal framework.

Liberty Global Belgium Holding has published a notice in accordance with article 8, §1 of the Royal Decree of 27 April 2007 on Public Takeover Bids regarding Liberty Global Belgium Holding's intention to make the Intended Offer which can be found here: Investor News & Events - Liberty Global.

Telenet has been assisted in respect of the Intended Offer by Goldman Sachs International and Freshfields Bruckhaus Deringer LLP as financial and legal advisors respectively and the independent directors of Telenet by Baker McKenzie as legal adviser. The independent directors have appointed Lazard BV/SRL as independent expert in accordance with article 23 of the royal decree of 27 April 2007 on public takeovers. Liberty Global has been assisted by JP Morgan, BNP Paribas and LionTree Advisors and Allen & Overy LLP, Shearman & Sterling and Ropes & Gray.

[1]If Telenet's ordinary general meeting of April 26, 2023 approves the payment of a gross dividend of €1.00 per share as proposed by Telenet's board of directors and the ex-dividend date (May 3, 2023) falls prior to the date of payment of the Offer Price, the Offer Price will be reduced by the total gross amount of such dividend (before any applicable tax deduction).

5.31 External audit

The general shareholders' meeting of April 29, 2020 appointed KPMG Bedrijfsrevisoren BV ("KPMG") as statutory auditor of the Company for a period of three years. KPMG has appointed Mr. Götwin Jackers as permanent representative.

Base fees for auditing the annual (consolidated) financial statements of Telenet Group Holding NV and its subsidiaries are determined by the general meeting of shareholders after review and approval by the Company's audit and risk committee and board of directors.

Audit and audit related fees for 2022, in relation to services provided by KPMG, amounted to €1.5 million (2021: €1.4 million), which was composed of audit services for the annual financial statements of €1.45 million (2021: €1.34 million), audit related services of €0.02 million (2021: €0.04 million) and other services €0.02 million (2021: €0.02). Audit related services mainly related to services in connection with attestation reports required by the Belgian Companies' and Associations Code as well as other ad hoc attestation and assurance reports.

Statutory auditor's report to the general meeting of Telenet Group Holding NV on the consolidated financial statements as of and for the year ended December 31, 2022

In the context of the statutory audit of the consolidated financial statements of Telenet Group Holding NV ("the Company") and its subsidiaries (jointly "the Group"), we provide you with our statutory auditor's report. This includes our report on the consolidated financial statements for the year ended December 31, 2022, as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of April 29, 2020, in accordance with the proposal of the board of directors issued on the recommendation of the audit and risk committee. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended December 31, 2022. We have performed the statutory audit of the consolidated financial statements of the Group for 15 consecutive financial years.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the Group as of and for the year ended December 31, 2022, prepared in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at December 31, 2022, the consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR 7,586.8 million and the consolidated statement of profit or loss and other comprehensive income shows a profit for the year of EUR 997.0 million.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as at December 31, 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the consolidated financial statements" section of our report. We have complied with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Capitalization of network related property and equipment and capitalization of software

We refer to notes 5.2.3 "Property and equipment", 5.2.4 "Intangible assets", 5.4 "Property and equipment" and 5.6 "Other intangible assets" of the consolidated financial statements.

Description

In 2022, the Group capitalized a total of EUR 664 million of property and equipment, including fixed and mobile network upgrades and customer installations, and the Group capitalized a total of EUR 245 million of costs related to software.

Capitalization of costs is an area of judgment by management, in particular in determining whether network engineering costs, customer installations costs and costs related to software meet the capitalization criteria. These judgments can have an important impact on certain key performance indicators that the Group discloses as part of its financial reporting and outlook, such as EBITDA, and consequently, pressures may exist to deliver expected results.
We identify this matter as a key audit matter due to the relative size of the Group's network related property and equipment and the Group's software in the consolidated statement of financial position and the aforementioned pressures and opportunities for fraud with respect to the proper application of the capitalization criteria. This in turn led to a high degree of audit effort in evaluating the proper application of the capitalization criteria.

Our audit procedures

Our audit procedures included:

- Evaluating the design and testing the operating effectiveness of key controls around the network related property and equipment cycle as well as the software cycle, including controls over whether fixed and mobile network upgrade and customer installations costs and costs related to software meet the capitalization criteria, as well as controls with respect to the review and approval of manual journal entries;
- Testing a sample of costs capitalized during the year. For each item selected, obtaining the relevant underlying documents and assessing whether the nature of costs incurred met the criteria for capitalization under the Group's accounting policies;
- Performing ratio analysis over the capital expenditure for network engineering and customer installations. For external costs, we have set an expectation of total capital expenditure based on historical trends. For internal costs, we have set an expectation of total capital expenditure based on the historical average payroll expense capitalized versus total payroll expense of the period; and
- Testing manual journal entries impacting the capitalization of costs with characteristics that make them susceptible to fraud.

Sale and leaseback of passive mobile network infrastructure

We refer to notes 5.2.12 "Leases", 5.4 "Property and equipment", 5.13.7 "Leases" and 5.29 "Leases" of the consolidated financial statements.

Description

Effective June 1, 2022, the Group transferred the ownership of passive mobile network infrastructure, as well as related land and location lease agreements, to a subsidiary of DigitalBridge Group, Inc. for a total consideration, after contractually agreed adjustments, of EUR 740 million. Concurrently, the Group entered into a master lease agreement with the same counterparty for the lease of this passive mobile network infrastructure and the rights of use under the aforementioned lease agreements. The Group derecognized the transferred passive mobile network infrastructure assets and the related liabilities, and derecognized the right-of-use assets and lease liabilities related to the transferred land and location leases. The Group recognized a gain on the initial transfer of these assets and liabilities of EUR 371 million. The Group recognized right-of-use assets and lease liabilities related to the aforementioned master lease agreement of EUR 287 million and EUR 582 million, respectively.
The accounting for this sale and leaseback transaction was complex due to the number and nature of the assets involved, and also involved significant judgments and assumptions in areas such as the determination of whether the initial transfer of assets and liabilities qualified as a sale, the determination of the lease term, the allocation of the minimum lease payments to the separate lease and non-lease components, and the determination of the incremental borrowing rate.
We identify this matter as a key audit matter due to the relative size of the Group's right-of-use assets and lease liabilities related to the aforementioned master lease agreement in the consolidated statement of financial position, the relative size of the overall transaction and of the gain on the initial transfer of assets and related liabilities, the complexity in the accounting for the transaction and the significant judgments and assumptions required to be made by management in determining the accounting treatment for this transaction. This in turn led to a high degree of auditor judgment and effort in evaluating management's judgments and assumptions, and in evaluating the accounting treatment of this transaction.

Our audit procedures

Our audit procedures included:

- Evaluating the design and testing the operating effectiveness of key controls around significant unusual transactions, including controls over the approval of such transactions and the analysis of the accounting treatment of such transactions;
- Evaluating the relevance and reasonableness of the criteria employed by management to assess whether the repurchase rights in the master lease agreement represent substantive rights that would preclude the qualification of the initial transfer of assets and liabilities as a sale;
- Testing the derecognition of assets linked to the initial transfer, including by evaluating the methodologies and criteria applied by management to identify the assets to be derecognized, and testing the application of these methodologies and criteria for a sample of assets;
- Evaluating management's determination of the term of the leaseback, including by evaluating the relevance and reasonableness of the criteria employed by management to determine whether extension options in the master lease agreement are reasonably certain of being exercised;
- Testing the allocation of the minimum lease payments to the separate lease and non-lease components, by comparing management's estimates of the stand-alone prices of these components to supporting documentation;
- Evaluating the incremental borrowing rate applied by management to calculate the lease liabilities and right-of-use assets related to the leaseback, with the involvement of our valuation specialists;
- Testing the recognition of right-of-use assets for the leaseback of previously owned assets, by recalculating the amount of the right-of-use assets at the retained portion of the previous carrying amount of these assets; and
- Recalculating the lease liabilities related to the leaseback and recalculating the gain on the sale-and-leaseback transaction.

Board of directors' responsibilities for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with IFRS Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the consolidated financial statements in Belgium. The scope of the statutory audit of the consolidated financial statements does not extend to providing assurance on the future viability of the Group nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Group. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit and risk committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide the audit and risk committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
For the matters communicated with the audit and risk committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.
Other legal and regulatory requirements

Responsibilities of the board of directors
The board of directors is responsible for the preparation and the content of the board of directors' annual report on the consolidated financial statements.

Statutory auditor's responsibilities
In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the consolidated financial statements and to report on these matters.

Aspects concerning the board of directors' annual report on the consolidated financial statements
Based on specific work performed on the board of directors' annual report on the consolidated financial statements, we are of the opinion that this report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.
In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the consolidated financial statements contains material misstatements, that is information incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.
The non-financial information required by article 3:32 §2 of the Companies' and Associations' Code has been included in the board of directors' annual report on the consolidated financial statements. The Company has prepared this non-financial information based on the Global Reporting Initiative ("GRI") Standards. In accordance with art 3:80 §1, 1st paragraph, 5° of the Companies' and Associations' Code, we do not comment on whether this non-financial information has been prepared in accordance with the mentioned GRI Standards.

Information about the independence
- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the consolidated accounts and our audit firm remained independent of the Group during the term of our mandate.
- The fees for the additional engagements which are compatible with the statutory audit referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the consolidated financial statements.

European Single Electronic Format (ESEF)
In accordance with the draft standard on the audit of compliance of the Financial Statements with the European Single Electronic Format (hereafter "ESEF"), we have audited as well whether the ESEF-format is in accordance with the regulatory technical standards as laid down in the EU Delegated Regulation nr. 2019/815 of 17 December 2018 (hereafter "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereafter “digital consolidated financial statements”) included in the annual financial report.
It is our responsibility to obtain sufficient and appropriate information to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.
In our opinion, based on our work performed, the format of and the tagging of information in the digital consolidated financial statements as per December 31, 2022, included in the annual financial report of Telenet Group Holding NV, are, in all material respects, prepared in compliance with the ESEF requirements under the Delegated Regulation.

Other aspect

This report is consistent with our additional report to the audit and risk committee on the basis of Article 11 of Regulation (EU) No 537/2014.

Zaventem, March 24, 2023

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren
Statutory Auditor
represented by

Götwin Jackers
Réviseur d'Entreprises /
Bedrijfsrevisor

Telenet Group Holding NV

Statutory financial statements

Abridged annual report of the board of directors to the annual general meeting of shareholders

This section contains an abridged version of the statutory (non-consolidated) annual accounts and annual report of Telenet Group Holding NV (TGH).

The statutory auditor issued an unqualified opinion on the statutory accounts of Telenet Group Holding NV as of and for the year ended December 31, 2022. The second part of the auditor's report includes specific additional paragraphs in accordance with article 7:96 of the Belgian Code of Companies and Associations (conflicts of interest reported by a member of the board of directors).

The full version of the annual accounts will be filed with the National Bank of Belgium and are available on the Company's website (http://investors.telenet.be).

1. Abridged non-consolidated balance sheet Telenet Group Holding NV (Statutory accounts)

(€ in millions)	As of December 31, 2022	2021
Assets		
Non-current assets:		
Financial assets	3,102.0	5,121.2
Total non-current assets	**3,102.0**	**5,121.2**
Current assets:		
Amounts receivable within 1 year	11.1	5.8
Other investments and deposits	143.9	201.4
Cash at bank and in hand	10.1	11.1
Deferred charges and accrued income	2.7	—
Total current assets	**167.8**	**218.3**
Total assets	**3,269.8**	**5,339.5**

(€ in millions)	As of December 31, 2022	2021
Equity and Liabilities		
Equity:		
Capital	12.8	12.8
Share premium	80.7	80.7
Reserves	212.4	270.0
Profit to be carried forward	2,849.7	4,343.6
Total equity	**3,155.6**	**4,707.1**
Liabilities:		
Amounts payable after more than 1 year	—	312.8
Amounts payable within 1 year	114.2	319.6
Total liabilities	**114.2**	**632.4**
Total Equity and Liabilities	**3,269.8**	**5,339.5**

2. Abridged non-consolidated income statement Telenet Group Holding NV (Statutory accounts)

(€ in millions)	For the years ended December 31,	
	2022	2021
Operating income	9.5	12.5
Operating expenses	(4.5)	(5.8)
Operating profit	**5.0**	**6.7**
Finance income	108.8	524.7
Finance expenses	(1,485.3)	(24.6)
Taxes	(0.2)	—
Profit/(loss) to be appropriated	**(1,371.7)**	**506.8**

3. Capital Telenet Group Holding NV (Statutory accounts)

	2022	
	(€ in millions)	(number of shares)
Issued capital		
January 1, 2022	**12.8**	**113,841,819**
Cancellation own shares	—	(1,731,819)
December 31, 2022	**12.8**	**112,110,000**

Composition of the capital		
Dispreference shares	—	94,843
Golden shares	—	30
Ordinary shares without nominal value	12.8	112,015,127

4. Accounting Policies Telenet Group Holding NV (Statutory accounts)

4.1 General

The Accounting Policies have been determined in accordance with the conditions of Royal decree of 29 April 2019 implementing the Code for Companies and Associations.

Every component of the assets is valued individually. Depreciation is calculated on a monthly basis. As a general rule, each component of the assets is valued at its acquisition cost, and shown in the balance sheet at that amount, minus any depreciation or write-downs. The amounts receivable are also shown, in principle, at their nominal value.

4.2 Specific accounting policies

4.2.1 Formation expenses

Debt issuance costs are expensed as incurred.

4.2.2 Financial assets

Investments are recorded at their acquisition value. For the investments recorded under the heading “Financial fixed assets”, an impairment loss is accounted for in case of permanent capital loss or decline in value, justified by the situation, profitability or outlook of the respective investees.

The Board of Directors assesses whether there is a permanent impairment of the book value of the investments.

For this assessment, the Board of Directors uses, among other things, the average historical share price, the value based on discounted cash flow models and the value based on EBITDA multiples of Telenet Group Holding NV, the listed parent company. If the current share price of Telenet Group Holding NV at year-end is below the average value of the aforementioned methods, the Board of Directors assesses whether this loss in value is of a permanent nature, based on the period over which and the extent to which it has decreased below this average value.

4.2.3 Amounts receivable within one year

Amounts receivable are recorded on the balance sheet at their nominal value. An appropriate write-down will be made if part or all of the payment on the due date is uncertain, or if the recoverable amount on the balance sheet date is lower than the book value.

Amounts receivable in foreign currency are converted at the official exchange rate applicable on the date when the invoice is posted. At the end of the financial year, they are converted using the official exchange rate on the balance sheet date.

4.2.4 Other investments and cash at bank and in hand

Balances held with financial institutions are valued at their nominal value.

Securities are valued at their acquisition value. Other cash equivalents are shown at their nominal value.

The additional expenses are charged immediately to earnings. Write-downs are accounted for if the recoverable amount on the balance sheet date is lower than the book value.

4.2.5 Amounts payable after more than 1 year and within 1 year

Creditors are shown in the balance sheet at their nominal value. Trade creditors in foreign currency are shown at the exchange rate on the date when the incoming invoice was posted. At the end of the financial year, they are converted using the exchange rate on the balance sheet date.

4.2.6 Fees related to long term financing

The financing fees, including early redemption fees and debt issuance costs are expensed as incurred.

4.2.7 Income statement

Income and expenses are recognized in the period to which they relate.

5. Abridged annual report concerning the statutory annual accounts of Telenet Group Holding NV

5.1 Comments on the balance sheet

5.1.1 Financial assets

Investments amounted to €3,010.9 million as of December 31, 2022 (2021: €5,120.5 million) and consisted of:

(€ in millions)	As of December 31,	
	2022	2021
Investees		
Telenet Vlaanderen NV	0.3	0.3
Telenet Group NV	3,007.0	5,116.6
Idealabs Telenet Fund NV	0.6	0.6
Imec.istart Fund	1.1	1.1
Recneps NV	1.9	1.9
Investees	**3,010.9**	**5,120.5**
Amounts receivable from affiliated companies		
Telenet Group NV	90.3	—
Doccle BV	0.3	0.2
Idealabs Telenet Fund NV	0.5	0.5
Amounts receivable from affiliated companies	**91.1**	**0.7**
Non-current financial assets	**3,102.0**	**5,121.2**

The Board of Directors concluded that at December 31, 2022, there was a permanent impairment in the Company's investment in Telenet Group NV. Consequently, the Company has recognized a permanent impairment of €1,472.4 million per December 31, 2022. In its analysis, the Board of Directors used the average historical share price, the value based on discounted cash flow models, the value based on EBITDA multiples, as well as other relevant data points. Based on these inputs, the Board of Directors determined the extent to which the decline in value of the Company's investment in Telenet Group NV was of a permanent nature as at December 31, 2022.

5.1.2 Amounts receivable within one year

In accordance with advice CBN 2012/3 with respect to the accounting treatment of stock option plans, the Company is required to recognize a provision for the expected future loss on own shares when the stock options are expected to be exercised. Such cost is recharged to Telenet BV and Telenet Group NV, the entities in which the beneficiaries are employed and all personnel expenses are incurred. As per December 31, 2022 and December 31, 2021, all outstanding stock option plans were out of the money, and consequently, no such provision for future losses was recognized. The total outstanding receivable on Telenet BV and Telenet Group NV as per December 31, 2022 amounted to respectively €0.5 million and €3.3 million (2021: respectively €4.4 million and €1.2 million).

On March 25, 2022, Telenet Group Holding NV and DigitalBridge Investments LLC, a wholly owned subsidiary of DigitalBridge Group, Inc. (further referred to as “DigitalBridge”), entered into a binding agreement for the sale of 100% of the shares of Telenet Newco

NV (further referred to as "TowerCo") for a total consideration of €745.0 million on a cash-free and debt-free basis, fully payable in cash. The initial purchase price as defined in the aforementioned agreement, taking into account an initial net working capital adjustment as well as a price correction for new sites built at completion date amounted to a cash amount received of €733.0 million upon the closing of the transaction, i.e. June 1, 2022. As per December 31, 2022, the adjusted purchase price, after agreed upon contractually foreseen adjustments was determined to be €740.2 million, of which €733.0 million has been received in cash as per December 31, 2022, while the remaining €7.2 million has been accounted for as amount receivable within one year. This amount has been received in January 2023.

5.1.3 Other investments, deposits and cash

The investments as reported at year-end 2022 for an amount of €143.9 million consisted integrally of own shares (2021: €201.4 million). The own shares are held by the Company to cover the Company's obligations under existing stock option plans. There are no dividend rights for these shares for as long as they remain in possession of the Company.

On October 28, 2021, the Company announced the initiation of a €45.0 million share repurchase program (the "Share Repurchase Program 2021"). Under this Repurchase Program, Telenet could repurchase from time to time up to 1.1 million shares for a maximum consideration of €45.0 million until February 28, 2022. This program was funded with the Company's existing cash balances.

Under this program, 435,709 shares were repurchased in 2021 and 664,291 shares in 2022 for an amount of €13.5 million and €21.9 million respectively. With this repurchase, the Company completed the aforementioned share buy-back program.

Following the repurchase of 664,291 shares in 2022 and the cancellation of 1,731,819 own shares (cancellation of 1,100,000 own shares on April 27, 2022 at a value of €45.2 million and 631,819 own shares on December 6, 2022 at a value of €26.0 million), the Company held 3,500,526 own shares as of December 31, 2022.

No stock options were exercised during the twelve months ended December 31, 2022. As a consequence of the vesting and settlement in own shares in 2022 of the:

- Performance Share Plan 2019,
- Restricted Share Plan 2020,
- Restricted Share Plan 2021 and,
- Compensation Restricted Share Plan May 2022,

the Company delivered in total 216,024 own shares to the beneficiaries involved, resulting in a decrease of own shares of €8.9 million.

Following the (partial) vesting and settlement in own shares of the Performance Share Plan 2018, the Restricted Share Plan 2019, the Restricted Share Plan 2020, the May 2021 Compensation Restricted Share Plan and the December 2021 Compensation share Plan, the Company delivered in 2021 in total 250.189 shares to the beneficiaries involved, resulting in a decrease of own shares of €10.8 million. No stock options were exercised during the twelve months ended December 31, 2021.

5.1.4 Capital

No changes occurred to the capital of the Company during financial year 2022.

5.1.5 Share premium

No changes occurred to the share premium of the Company during financial year 2022.

5.1.6 Reserves

Total reserves at year-end 2022 amounted to €212.4 million (2021: €270.0 million).

(€ in millions)	As of December 31,	
	2022	2021
Reserves		
Legal reserve	64.8	64.8
Reserves unavailable for distribution		
- for own shares	144.6	202.2
Untaxed reserves	3.0	3.0
Reserves	**212.4**	**270.0**

As of December 31, 2022, the Company held 3,500,526 own shares. During the year ended December 31, 2022, the Company acquired 664.291 own shares under the Share Repurchase Program 2021 for a total amount of €21.9 million. Following the repurchase of 664,291 shares in 2022, 1,731,819 own shares were cancelled (cancellation of 1,100,000 own shares on April 27, 2022 at a value of €45.2 million and 631,819 own shares on December 6, 2022 at a value of €26.0 million). Following the (partial) vesting and settlement in own shares of the Performance Share Plan 2019, the Restricted Share Plan 2020, the Restricted Share Plan 2021 and the May 2022 Compensation Restricted Share Plan, the Company delivered in 2022 in total 216.024 shares to the beneficiaries involved, resulting in a further decrease of the above mentioned reserves of €8.9 million.

As of December 31, 2021, the Company held 4,784,078 own shares. During the year ended December 31, 2021, the Company acquired 435,709 own shares under the Share Repurchase Program 2021 for a total amount of €13.5 million. Following the (partial) vesting and settlement in own shares of the Performance Share Plan 2018, the Restricted Share Plan 2019, the Restricted Share Plan 2020, the May 2021 Compensation Restricted Share Plan and the December 2021 Compensation share Plan, the Company delivered in 2021 in total 250,189 shares to the beneficiaries involved, resulting in a further decrease of the above mentioned reserves of €10.8 million.

The untaxed reserves of €3.0 million relate to the capital reduction of €3.25 as decided upon by the general meeting of shareholders in April 2012 on 648,584 own shares that were held on the payment date, being August 31, 2012. The €2.1 million was not paid out, but added back to the Company's equity as untaxed reserves. The remaining €0.9 million consists of the right to the 2012 dividend and capital reduction of €3.25 and €1.0, respectively, related to the 220,352 own shares held with respect to the obligation under the Company's stock option plans. As this right was cancelled in 2013, the corresponding amount €0.9 million is recognized as untaxed reserves.

5.1.7 Provisions

In accordance with advice CBN 2012/3 with respect to the accounting treatment of stock option plans, the Company is required to recognize a provision for the expected future loss on own shares when the stock options are expected to be exercised. As per December 31, 2022 and December 31, 2021, all outstanding stock option plans were out of the money, and consequently, no such provision for future losses was recognized.

5.1.8 Amounts payable after more than one year

As of December 31, 2021, total amounts payable after more than one year consisted of loans from Telenet International Finance S.à r.l of which €312.8 million due after more than one year and €159.3 million payable within one year. The payable was fully settled during the year 2022 using the proceeds from the TowerCo deal.

5.1.9 Amounts payable within one year

Amounts payable within one year amounted to €114.2 million as of December 31, 2022 compared to €319.6 million at year-end 2021 and can be detailed as follows:

(€ in millions)		As of December 31,
	2022	2021
Amounts payable within one year		
Trade debts	1.0	0.6
Taxes, remuneration and social security	1.6	3.4
Loan Telenet International Finance S.à r.l	—	159.3
Loan Telenet Group NV	1.5	—
Other amounts payable	110.1	156.3
Amounts payable within one year	**114.2**	**319.6**

The outstanding trade debts of €1.0 million as per December 31, 2022 (2021: €0.6 million) relate mostly to invoices to receive for other professional services for €0.8 million (2021: €0.4 million).

The taxes, remuneration and social security outstanding as of December 31, 2022 amounted to €1.6 million (2021: €3.4 million) and consisted primarily of the withholding tax related to performance shares which is payable upon vesting of the underlying performance shares amounting to €0.1 million (2021: €1.8 million), €1.3 million related to additional accruals for annual bonus (2021: €1.6 million) and €0.2 million current income tax provision.

The Company received loans from Telenet International S. à r.l in order to finance the dividend payments and to fund the Share Buy Back programs, the short term portion of this loan being €159.3 million as of December 31, 2021. This loan was fully repaid during 2022 with the proceeds from the TowerCo deal. Per December 31, 2022, Telenet Group Holding NV has a loan payable within one year of €1.5 million towards Telenet Group NV.

The other amounts payable for an amount of €110.1 million as per December 31, 2022 (2021: €156.3 million) consisted of €110.1 million of 2022 dividends declared as well as past dividends and capital reductions payable, which were not yet claimed as of December 31, 2022 (2021: €150.5 million). As of December 31, 2021 the other amounts payable also included a €5.8 million linked to the cash current account and interest accrual on debts towards Telenet International Finance S.à.r.l.

5.2 Comments on the income statement

The income statement showed a loss of €1,371.7 million for the financial year ended December 31, 2022 (versus a profit of €506.8 million in 2021). Net operating profit for the year amounted to €5.0 million (compared to an operating profit of €6.7 million in 2021).

Operating income amounted to €9.5 million for the year ended December 31, 2022 (2021: €12.5 million) and included recharges of costs related to stock options and other to Telenet BV and Telenet Group NV for a total amount of €9.4 million (2021: €12.5 million).

The operating expenses decreased from a net cost of €5.8 million for the year ended December 31, 2021 to a net cost of €4.4 million for the year ended December 31, 2022 and mainly relates to lower employee benefits related costs.

The financial income amounted to €108.8 million for the year ended December 31, 2022 versus €524.7 million for the year ended December 31, 2021.

(€ in millions)	For the years ended December 31,	
	2022	2021
Finance income		
Financial income from financial fixed assets	106.1	524.0
Financial income from current assets	2.7	0.7
Finance income	**108.8**	**524.7**

Financial income from financial fixed assets as per December 31, 2021 resulted from an interim dividend distribution by Telenet Group NV, as approved by the Board of Directors and Extraordinary General Meeting of Shareholders held on July 27, 2021. Finance income includes a €106.1 million gain on the sale of 100% of the shares of TowerCo to DigitalBridge. For the year ended December 31, 2022 no interim dividend distribution occurred.

For the years ended December 31, 2022 and 2021 financial income from current assets primarily includes interest income from the cash current account with Telenet Group NV and Telenet International Finance S.à r.l. respectively.

Finance expense amounted to €1,485.3 million for the year ended December 31, 2022 compared to €24.6 million in the prior year and consists of:

(€ in millions)	For the years ended December 31,	
	2022	2021
Finance expense		
Interest charges		
- Telenet International Finance S.à r.l.	3.8	13.5
Loss on sale of treasury shares	8.9	10.8
Financing cost	—	0.2
Other finance expense	0.2	0.1
Non-recurring finance expense	1,472.4	—
Finance expense	**1,485.3**	**24.6**

No stock options were exercised during the 12 months ended December 31, 2022 and 2021. Following the (partial) vesting and settlement in own shares of the Performance Share Plan 2019, the Restricted Share Plan 2020, the Restricted Share Plan 2021 and the May 2022 Compensation Restricted Share Plan, the Company delivered in 2022 in total 216.024 shares to the beneficiaries involved. As the cost of all own shares delivered amounted to €8.9 million, with no cash received, the Company realized a loss of €8.9 million. Following the (partial) vesting and settlement in own shares of the Performance Share Plan 2018, the Restricted Share Plan 2019, the Restricted Share Plan 2020, the May 2021 Compensation Restricted Share Plan and the December 2021 Compensation share Plan, the Company delivered in 2021 in total 250.189 shares to the beneficiaries involved. As the cost of all own shares delivered amounted to €10.8 million, with no cash received, the Company realized a loss of €10.8 million.

Non-recurring finance expense for the year ended December 31, 2022 represents the permanent impairment on the participation in Telenet Group NV as assessed by the Board of Directors of the Company.

The Company proposes to the general shareholders' meeting to:

- bring forward the profit brought forward at the prior year-end amounting to €4,343.6 million, resulting in a profit available for appropriation amounting to €2,971.9 million at December 31, 2022;
- allocate an amount of €13.6 million to the reserves unavailable for distribution for own shares;
- allocate an amount of €108.6 million as dividend to its shareholders.

As a result, the profit to be carried forward amounted to €2,849.7 million as of December 31, 2022.

5.3 Information on research and development

We refer to the consolidated annual report of the board of directors.

5.4 Risk factors

We refer to the consolidated annual report of the board of directors.

5.5 Information about subsequent events

We refer to the consolidated annual report of the board of directors.

5.6 Going concern

The going concern of the Company is entirely dependent on that of the Telenet Group.

Currently, the Telenet group still has a substantial amount of losses carried forward on the balance sheet, but succeeded to deliver mostly stable Adjusted EBITDA margins and slightly lower operational cash flows. This is entirely aligned with the Company's long range plan, which encompasses a continued development of the Company's profit generating activities in order to absorb the losses carried forward over time. Because of the relatively stable number of subscribers on telephony, internet and digital television and a further focus on cost control and process improvements, the Company was again able to deliver strong operating results.

At December 31, 2022, Telenet carried a total debt balance (including accrued interest) of €6,654.9 million, of which €1,473.7 million principal amount is related to the € and USD-denominated Senior Secured Fixed Rate Notes due March 2028 and €3,252.8 million principal amount is owed under its 2020 Amended Senior Credit Facility with maturities ranging from April 2028 through April 2029. Telenet's total debt balance at December 31, 2022 also included a principal amount of €345.9 million related to its vendor financing program as further detailed below. The remainder primarily represents lease obligations associated with (i) the June 1, 2022 sale of Telenet's mobile tower business to DigitalBridge resulting into a 15-year MLA, (ii) the long-term emphyotic lease with Fluvius for the use of its HFC network covering approximately one-third of Flanders prior to the anticipated closing of the NetCo transaction which Telenet expects by summer of 2023 and (iii) other leases. Finally, Telenet's total debt balance at December 31, 2022 also included outstanding liabilities of €399.7 million concerning the mobile spectrum licenses following last year's multiband spectrum auction as the Company has opted for annual deferred payments over the lifetime of each license as opposed to advance payments.

Taking into account the mostly stable Adjusted EBITDA results of the current year, the board of directors believes that the Telenet group will be able to fund the further development of its operations and to meet its obligations and believes that the current valuation rules, as enclosed in the annual accounts, and in which the continuity of the Company is assumed, are correct and justified under the current circumstances.

5.7 Application of legal rules regarding conflicts of interest

We refer to the consolidated annual report of the board of directors, paragraph 8.5.6 of corporate governance statement.

5.8 Branch office of the Company

Telenet Group Holding NV has no branch offices.

5.9 Extraordinary activities and special assignments carried out by the auditor

We refer to the notes to the consolidated financial statements of the Company.

5.10 Telenet hedging policy and the use of financial instruments

We refer to the consolidated annual report of the board of directors.

5.11 Grant of discharge to the directors and statutory auditor

In accordance with the law and articles of association, the shareholders will be requested at the annual shareholders' meeting of April 26, 2023 to grant discharge to the directors and the statutory auditors of their responsibilities assumed in the financial year 2022.

5.12 Information required pursuant to article 34 of the Belgian Royal Decree of November 14, 2007 and the law of April 6, 2010

We refer to the consolidated annual report of the board of directors.

This report shall be deposited in accordance with the relevant legal provisions and is available at the registered office of the Company.

5.13 Non-financial information

We refer to the consolidated annual report of the board of directors.

Mechelen, March 21, 2023

On behalf of the board of directors

John Porter	Jo Van Biesbroeck
Chief Executive Officer	Chairman

Notes

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