
FINANCIAL REPORT 2018

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, 2018.

8.1 Reference code

The Corporate Governance Charter of the Company has most recently been updated on February 12, 2019, and can be consulted on the investor relations website of the Company (http://investors.telenet.be). In compliance with Article 96§2 of the Belgian Company Code and the Royal Decree of June 6, 2010, the Company has decided to adopt the Belgian Corporate Governance Code 2009 as reference code (www.corporategovernancecommittee.be). Except for a minor deviation in relation to provisions 7.17 and 7.18, the Company is fully compliant with the provisions of the Belgian Corporate Governance Code 2009. The deviations are indicated and explained in the relevant sections of this Statement.

8.2 Regulatory developments and their impact on Telenet

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

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

Although no determination has been made on whether Telenet, as a Mobile Virtual Network Operator ("**MVNO**"), has Significant Market Power on the market for call termination on individual mobile networks, its rates have been affected by rate limitations implemented by the BIPT. As of January 1, 2013, mobile termination rates have been set by the BIPT at €1.08 cents per minute, and to date, 2015 rates have not been set. 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 draft decision as having Significant Market Power by the BIPT. In the draft 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 2011, the BIPT and the regional regulators for the media sectors (together, the Belgium Regulatory Authorities) found Telenet to have Significant Market Power in the broadcasting market (the "**2011 Decision**"). The 2011 Decision imposed on Telenet an obligation to provide third-party operators, at specified "Retail Minus" tariff rates, with (1) a resale offer of an analog television package, (2) access to digital television platforms and (3) a resale offer of broadband internet access in combination with the digital television access obligation. We refer to the tariff portion of the 2011 Decision as the "Retail Minus Rules". On November 12, 2014, the 2011 Decision was upheld by the Court of Appeal, and the Court of Appeal also accepted Proximus' claim that Proximus should be allowed access the digital television platforms of other operators, including Telenet, for the purpose of reselling bundles of digital video and broadband internet services. On November 30, 2015, Telenet filed an appeal of the Court of Appeal's ruling with the Belgian Supreme Court. As required by the 2011 Decision, Telenet has implemented the access obligations at the rates specified by the Retail Minus Rules, and on March 1, 2016, Orange Belgium launched a commercial offer combining a cable TV package with broadband internet access for certain of their mobile customers. On October 2, 2017, in a separate action, the Court of Appeal annulled the Retail Minus Rules, but maintained the effects of the Retail Minus Rules until April 30, 2018. Accordingly, as of May 1, 2018, the tariff rates for Telenet's resale obligations are unregulated until a new decision from the Belgium Regulatory Authorities is adopted.

On July 7, 2017, the Belgium Regulatory Authorities published a draft market review decision (the "**2017 Draft Decision**"). that, once adopted, will replace the 2011 Decision.

The 2017 Draft Decision was notified to the European Commission on April 27, 2018. The European Commission issued its comments on May 25, 2018 ("**Comments Letter**"). The 2017 Draft Decision which has been adopted on June 29, 2018 (the "**2018 Decision**") replaces the 2011 Decision. The 2018 Decision confirms a finding of Significant Market Power of Telenet in the wholesale broadband market. The obligations include (i) providing third-party operators with access to the digital television platform (including basic digital video and analog video) and (ii) making available to third-party operators a bitstream offer of broadband internet access (including fixed voice as an option). The 2018 Decision no longer applies a retail minus pricing on Telenet, but as of August 1, 2018, imposes monthly wholesale cable resale access prices during an interim period, before setting "reasonable access tariffs" expected by mid 2019 with a link to cable cost model which is under development by the Belgium Regulatory Authorities, of €20.29 (for services including broadband speeds up to 149Mbps download) and of €30.12 (for services including broadband speeds of 150Mbps download and above) . Telenet considers the 2018 Decision to be inconsistent with the principle of technology-neutral regulation and the European Single Market Strategy to stimulate further investments in broadband networks. For these reasons Telenet has appealed the Comments Letter of May 25, 2018 and the 2018 Decision before the European Court of First Instance and the Brussels Markets Court respectively.

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

8.3 Capital and shareholders

8.3.1 Capital and securities

The share capital of the Company amounted to €12,799,049.40 as of December 31, 2018 and was represented by 117,716,323 shares without nominal value. All shares are ordinary shares, listed on Euronext Brussels, with the exception of 30 Golden Shares and 94,843 Liquidation Dispreference Shares to which certain specific rights or obligations are attached, as described in the articles of association and the Corporate Governance Charter.

Details on the various stock option plans for employees, the Senior Leadership Team ("**SLT**") and the Chief Executive Officer ("**CEO**"), issued before December 31, 2017, can be consulted in Telenet's 2017 Annual Report.

On March 19, 2018, the board of directors approved the Telenet Equity Plan on the basis of which Telenet is able to grant its Senior Leadership Team and the Company's CEO (i) stock options (see "**ESOP 2018**" below) and (ii) performance shares (see "**2018 Telenet Performance Shares**").

On March 19, 2018, the board of directors approved a new general stock option plan for the CEO, the SLT and a selected number of 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.

On June 6, 2018 the board of directors authorized a grant under this plan to certain beneficiaries with an exercise price of €42.72. On August 1, 2018, a total of 808,963 stock options were accepted.

The vesting of these stock options occurs quarterly over a period of 4 years, with a vesting of 10% of the total stock options granted during each of the first 4 quarters and a vesting of 5% of the total stock options granted during each of the 12 following quarters.

On October 30, 2018, the board of directors approved a stock option plan for the newly appointed Chief Financial Officer of the Company. Following this decision, 53,781 stock options with an exercise price of €44.62 were granted on November 2, 2018 to the selected participant under the "**Employee Stock Option Plan 2018bis**" or "**ESOP 2018bis**". On December 12, 2018 a total of 53,781 options were accepted.

The vesting of these stock options occurs quarterly over a period of 4 years, with a vesting of 10% of the total stock options granted during each of the first 4 quarters and a vesting of 5% of the total stock options granted during each of the 12 following quarters.

On November 5, 2018, Telenet granted the CEO, the SLT 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 is the achievement of an Operating Cash Flow ("**OCF**") compound annual growth rate ("**CAGR**") over the performance period starting on January 1, 2018 and ending on December 31, 2020 (based on US GAAP). A performance range of 75% to 130% of the targeted OCF CAGR would generally result in the recipients being awarded between 75% and 200% of their 2018 Telenet Performance Shares. The granted 2018 Telenet Performance Shares will vest on November 5, 2021, provided the performance conditions have been realized and subject to reduction or forfeiture based on service requirements. More details on the outstanding 2018 Telenet Performance Shares can be found in section 8.7.2.4 b) of this Statement.

More details on previous performance share grants, issued before December 31, 2017, to the SLT and the CEO can be consulted in Telenet's 2017 Annual Report.

Upon the payment of the extraordinary dividend on October 4, 2018, the Company adjusted all options to ensure that benefits granted to the option holders were not reduced. The number of options was increased and the exercise price was decreased. More details on the extraordinary dividend and respective adjustments can be found in note 5.12 to the consolidated financial statements.

8.3.2 Evolution of the share capital of Telenet Group Holding NV

No capital movements took place in the year ended December 31, 2018.

8.3.3 Shareholders

Important movements in shareholdings

Transparency declarations

In the course of the year ended December 31, 2018, the Company received the following transparency declarations:

On January 10, 2018, Telenet received a transparency notification from Liberty Global Plc, Liberty Global Europe LLC (merged with UnitedGlobalCom LLC), UnitedGlobalCom LLC, LGI Slovakia Holdings, Inc., LGI International LLC, Liberty Global, Inc. and Lynx Finance 1 LLC (liquidated), in accordance with article 6 of the Law of May 2, 2007. In this notification, Liberty Global Plc provides an update of its notification of January 11, 2016 in which it reported a change in the control chain of its shareholding in Telenet pursuant to a number of intra-group transactions which took place on November 23, 2015.

In this transparency notification of January 9, 2018, Liberty Global Plc reports a change in the control chain of its shareholding in Telenet pursuant to three new intra-group transactions. First, Lynx Finance 1 LLC was dissolved and liquidated on August 29, 2017. Second, Liberty Global Europe LLC and UnitedGlobalCom LLC merged on December 14, 2017, whereby UnitedGlobalCom LLC absorbed Liberty Global Europe LLC. And third, LGI International LLC (formerly LGI International, Inc.) contributed all its shares in Liberty Global Broadband I Ltd to LGI Slovakia Holdings, Inc. on December 22, 2017. These transactions took place between and were realized by 100% subsidiaries of Liberty Global Plc, which remains the ultimate parent company of Telenet.

This transparency notification of January 9, 2018 does not report any change in the shareholding of Liberty Global Plc since its last notification of January 11, 2016.

On March 7, 2018, Telenet received a transparency notification from BlackRock, Inc. in accordance with Articles 6 and 18 of the Law of May 2, 2007. In this notification, BlackRock, Inc. reports that the shareholding in Telenet of one of its controlled undertakings, BlackRock Investment Management (UK) Limited, has fallen below the 3% threshold on March 5, 2018.

On March 8, 2018 and March 9, 2018, Telenet received a transparency notification from BlackRock, Inc. in accordance with Articles 6 and 18 of the Law of May 2, 2007. In its notification of March 9, 2018, BlackRock, Inc. reports that its ultimate shareholding, with respect to voting rights only, has fallen below the 5% threshold on March 7, 2018. In the transparency notification received on March 8, 2018, BlackRock, Inc. reported that the total shareholding in Telenet, including equivalent financial instruments, of one of its controlled undertakings, BlackRock Investment Management (UK) Limited, had fallen below the 3% threshold on March 6, 2018.

On March 12, 2018, Telenet received a transparency notification from BlackRock, Inc. in accordance with Articles 6 and 18 of the Law of May 2, 2007. In its notification of March 12, 2018, BlackRock, Inc. reports that its ultimate shareholding in Telenet (aggregated with its controlled undertakings), with respect to voting rights only, has risen above the 5% threshold on March 8, 2018.

On March 13 2018, Telenet received a transparency notification from BlackRock, Inc. in accordance with Articles 6 and 18 of the Law of May 2, 2007. In this notification, BlackRock, Inc. reports that its ultimate shareholding in Telenet (aggregated with its controlled undertakings), with respect to voting rights only, had fallen below the 5% threshold on March 9, 2018.

On March 13 2018, Telenet received a second transparency notification from BlackRock, Inc. in accordance with Articles 6 and 18 of the Law of May 2, 2007. In this notification, BlackRock, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings) has fallen below the 5% threshold on March 12, 2018.

On March 15, 2018, Telenet received a transparency notification from BlackRock, Inc. in accordance with Articles 6 and 18 of the Law of May 2, 2007. In this notification, BlackRock, Inc. reports that its ultimate shareholding in Telenet (aggregated with its controlled undertakings) has risen above the 5% threshold on March 14, 2018.

On March 19, 2018, Telenet received a transparency notification from BlackRock, Inc., dated March 16, 2018, in accordance with Articles 6 and 18 of the Law of May 2, 2007. In this notification, BlackRock, Inc. reports that its ultimate shareholding in Telenet (aggregated with its controlled undertakings) has dropped below the 5% threshold on March 15, 2018.

On July 25, 2018, Telenet received a transparency notification from Ameriprise Financial, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of July 25, 2018, Ameriprise Financial, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings) has fallen below the 3% threshold on July 23, 2018.

On August 7, 2018, Telenet received a transparency notification from Lucerne Capital Management, L.P. in accordance with articles 6 and 18 of the Law of May 2, 2007. In its notification of August 7, 2018, Lucerne Capital Management, L.P. reports that its shareholding in Telenet has exceeded the 3% threshold on August 3, 2018.

On August 17, 2018, 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 take-overs. This notification provides an update of the notification submitted by Liberty Global Plc and its affiliate Binan Investments B.V. on August 18, 2017 according to which Binan Investments B.V. declared to hold an interest in Telenet exceeding 55% of the securities holding voting rights. The notification of August 17, 2018 does not report any change in the Telenet shareholding of Binan Investments B.V. since the notification of August 18, 2017.

On November 5, 2018, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In this notification, BlackRock, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings), with respect to voting rights only has fallen below the 3% threshold on November 2, 2018.

On November 27, 2018, Telenet received a transparency notification from BlackRock, Inc. in accordance with articles 6 and 18 of the Law of May 2, 2007. In this notification, BlackRock, Inc. reports that its total ultimate shareholding in Telenet (aggregated with its controlled undertakings) has fallen below the 3% threshold on November 14, 2018.

In the course of the year ending December 31, 2019, the Company already received the following transparency declaration:

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

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

Share Repurchase Program 2018

In February 2018, the board of directors authorized a share buy-back program of up to €75.0 million (the "**Share Repurchase Program 2018**"), effective as of February 13, 2018. Under this program, Telenet could acquire from time to time its common stock, for a maximum of 1.1 million shares or a maximum consideration of €75.0 million, up to December 31, 2018. The share repurchases were conducted under the terms and conditions approved by the extraordinary general shareholders' meeting of the Company of April 30, 2014 and were used to cover the outstanding obligations under the Company's share option plans. On June 25, 2018, this program was terminated and replaced by the Share Repurchase Program 2018bis. Under the Share Repurchase Program 2018, 526,637 shares have been repurchased for a total consideration of €28.9 million.

Share Repurchase Program 2018bis

On June, 25 2018, the Company announced the initiation of a €300 million share repurchase program (the "**Share Repurchase Program 2018bis**"). This program replaced the Share Repurchase Program 2018. Under the Share Repurchase Program 2018bis, Telenet may repurchase from time to time up to 7.5 million shares for a maximum consideration of €300 million until June 28, 2019. Telenet will fund this program with its existing and future cash balances as well as available untapped liquidity under its revolving credit facilities. For the period between April 30, 2019 and June 28, 2019, the execution of the remainder of the Share Repurchase Program 2018bis is subject to renewal of the share buy-back authorization by the shareholders' meeting.

Under this program, 4,427,060 shares were repurchased in 2018 for a total consideration of €199.0 million. Through March 8, 2019, the Company had acquired 5,486,743 own shares under the Share Repurchase Program 2018bis for a total amount of €241.4 million, representing 6.51% of the total number of outstanding shares at that moment. Taking into account a par value of €0.11 per share on December 31, 2018, this represents an amount of €843,037 in the share capital of the Company.

Shareholder structure

The shareholder structure of the Company on December 31, 2018, based on (i) the shareholders' register of the Company, (ii) all transparency declarations received by the Company, (iii) as well as the latest notification of each relevant shareholder as notified to the Financial Services & Markets Authority ("**FSMA**"), is as follows:

Shareholders	Outstanding shares	Percentage
Liberty Global Group (*)	66,342,037	56.36 %
Own Shares	6,604,293	5.61 %
Lucerne Capital Management, L.P.	3,540,452	3.01 %
Employees	755,626	0.64 %
Public (**)	40,473,915	34.38 %
Total	**117,716,323**	**100.00%**

(*) Including 94,827 Liquidation Dispreference Shares
(**) Including 16 Liquidation Dispreference Shares held by Interkabel Vlaanderen CVBA and 30 golden Shares held by the financing intermunicipalities

Relationship with and between shareholders

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

8.3.4 General meeting of shareholders

According to the Company's articles of association, the annual meeting of shareholders takes place on the last Wednesday of the month of April at 10:00 am CET. In 2019, this will be on April 24.

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

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

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

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

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

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

- On December 31, 2018, the Company had 94,843 Liquidation Dispreference Shares and 30 Golden Shares outstanding. The Liquidation Dispreference Shares can be converted into ordinary shares on a 1.04 to 1.00 ratio.

- The Golden Shares attribute to the financing intermunicipalities (who hold all 30 Golden Shares) the right to appoint representatives in the regulatory board (***regulatoire raad***), which supervises the so called "public interest guarantees", and the right to appoint an observer in the board of directors of the Company, as further described in the articles of association and the Corporate Governance Charter of the Company.

- Share option plans are described in note 5.12 to the consolidated financial statements of the Company. The ESOP 2013, CEO SOP 2014 and CEO SOP 2014 ***bis*** all provide that all outstanding stock options would immediately vest upon a change of control, a de-listing of the Company or the launch of a squeeze-out offer in relation to the shares of the Company. The ESOP 2014, CEO SOP 2015, SSOP 2015,ESOP 2015, ESOP 2016, ESOP 2016bis, ESOP 2017, ESOP 2017bis, ESOP 2018 and ESOP 2018bis provide that all outstanding stock options would immediately vest upon a change of control. All these provisions have been approved by or will be put for approval to the extraordinary general shareholders' meeting in accordance with article 556 of the Belgian Company Code.

- 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 Company Code.

- The board of directors is authorized by the shareholders' meeting of April 30, 2014 to repurchase shares of the Company up to the maximum number allowed in accordance with articles 620 and following of the Belgian Company Code, 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, 2019.

- Certain provisions of the financing agreements of the Company's subsidiaries would become effective or would be terminated in case of a change of control over the Company. The relevant provisions were approved at the extraordinary shareholders' meeting of the relevant subsidiaries of the Company in accordance with article 556 of the Belgian Company Code.

- The Telenet Performance Share Plan 2015, the Telenet Performance Share Plan 2016 and the Telenet Performance Share Plan 2018 (more details on these Performance Shares to be found in section 8.7.2.4 b) of this Statement), all concluded between the Company and certain members of the SLT and one other manager, also contain change of control wording. The Performance Share Plan 2015 was available for all the members of the SLT and one other manager, excluding the chief executive officer. The Performance Share Plans 2016 and 2018 were available for all the members of the SLT and one other manager, as well as the chief executive officer. The relevant provisions were approved or will be put for approval at the extraordinary shareholders' meeting in accordance with article 556 of the Belgian Company Code.

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

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

8.4 Internal control and risk management systems

8.4.1 General

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

8.4.2.1 Board of directors

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

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

8.4.2.2 Audit Committee

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

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

8.4.2.3 Treasury

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

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

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

8.4.2.4 Risk and Compliance

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

Within the Risk and Compliance department, the Compliance 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"***). Further, a dedicated Compliance function has been established in 2018 to focus on the execution of the corporate compliance program including among others identification of key company policies and their owners, communication and publication of policies, organization of awareness campaigns and training sessions and implementation of controls to ensure policy compliance (see also section 8.4.3.3 ***"Compliance risks"***).

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

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

On a quarterly basis, the Risk and Compliance department reports on the progress and results of the above activities to the SLT and the Audit 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 has prepared a risk management methodology to support these decentralized teams and to ensure that risks and controls are assessed in a consistent manner throughout the Company.

8.4.2.5 Internal audit

Following the decision of the board of directors of July 29, 2014, and with effect as from 2015, the internal audit function is being performed by the independent internal audit department of Liberty Global. Based on a quality survey and benchmark with other audit firms, it was decided by the Audit Committee on July 30, 2018 to prolong the internal audit mandate of Liberty Global for one year. Such benchmark is performed on an annual basis.

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

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

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

8.4.2.6 External audit

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

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

8.4.3.1.5 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.

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

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

8.4.3.3 Compliance risks

The Company applies a risk based approach for compliance. Every domain (i.e. policy) is given a priority score based on the current risk level and current mitigating measures. Based on these priority score, the compliance roadmap for 2018 - 2019 was defined. The Compliance team ensures that each compliance domain (i.e. policy) is assigned to an owner. Responsibilities of these policy owners and other key compliance stakeholders (Legal, Regulatory and SLT members) have been recorded in a compliance 'Roles & Responsibility' matrix.

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

8.4.3.4. Other enterprise risks

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

In 2018 the Company identified the following 5 key enterprise risks, which are detailed below: (i) Market Dynamics, (ii) Business Transformation and Programs, (iii) Security and Resilience, (iv) Customer Experience and (v) Laws and Regulations.

8.4.3.4.1 Market Dynamics

Telenet operates in a highly volatile environment which is characterized by amongst others the following factors: constant and rapid technology changes, evolving customer behavior, strong existing and emerging/ new competition, product convergence, regulatory changes, etc. Telenet needs to identify, monitor and respond to these factors in order to remain competitive in the telecommunications and entertainment market.

Telenet is constantly looking for innovative ways to service the needs of all customers (residential, business, wholesale) and to stimulate innovation in the broadest sense. The Telenet strategy team defines and drives the strategic agenda of the Company in order to ensure long-term success of the company. This is done by identifying and analyzing major strategic challenges and opportunities and by prioritizing strategic themes. Long-term market trends and strategic projects are translated into shorter term projects and actions. These drive the further elaboration of Telenet's product portfolio to ensure that the connectivity and entertainment products and services offered respond to the (changing) customer needs. The Company also continuously invests in its fixed and mobile networks in order to optimally serve its customers.

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

8.4.3.4.2 Business Transformation and Programs

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

To ensure such programs are properly managed, Telenet has put in place a robust project governance framework. This framework consists of a strong project methodology and is supported by layered project forums and a dedicated project portfolio management office working together with divisional project management offices as a virtual team. The aim of the project governance framework is to ensure strategic alignment of Telenet's programs and projects and to provide clear and transparent processes, driving project quality and predictability.

In addition a project risk screening process is in place. Herewith all projects are screened by the ERM team to ensure that the impact of projects on key risk areas (ICoFR, revenue/fraud, privacy, legal, regulatory, security, etc.) is timely and adequately assessed, i.e. to ensure that "risk requirements" are timely defined, incorporated in the project design and budget, and fully implemented.

8.4.3.4.3 Security and Resilience

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

In order to properly manage these risks, the Company has established a dedicated cyber security team and a business continuity management team. In-depth proactive security testing is performed, as well as detective penetration testing, vulnerability scanning and ethical hackings. A security incident & event monitoring tool is in place to timely identify potential security breaches. The Company has also implemented TIM ("Telenet Identity Management") to support authorized user management and automate access request management and periodic access rights certification for key applications. In addition a privileged access management solution has been implemented, which secures and monitors all privilege accesses to the Company's systems, and a dedicated tool is used for full database logging on the key databases.

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

8.4.3.4.4 Customer Experience

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

To this end, a dedicated customer journey design and management team has been established. Customer journey managers assess if customer experience is properly taken into consideration throughout the Company's key processes. Customer journey design is embedded in the Company's project governance to ensure that the customer's perspective is timely and properly considered in all projects. This includes the execution of a customer journey assessment and, when needed, the definition of specific customer journey requirements for incorporation in the projects.

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

8.4.3.4.5 Laws and Regulations

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

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

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, 2018, the board of directors of the Company was composed of 9 members. With the exception of the Managing Director (CEO), all directors are non-executive directors.

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

These directors (as well as their permanent representatives) are considered independent directors since they all fulfill the independence criteria set out in the articles of association of the Company and in article 526ter of the Belgian Company Code.

The mandates of JoVB BVBA (represented by its permanent representative Mr. Jo Van Biesbroeck) and Mr. Manuel Kohnstamm expire at the annual shareholders' meeting of 2019. The mandate of Mr. Charles H. Bracken expires at the annual shareholders' meeting of 2020. The mandate of Mr. John Porter expires at the annual shareholders' meeting of 2021. The mandates of IDw Consult BVBA (represented by its permanent representative Mr. Bert De Graeve), Ms. Christiane Franck, Ms. Severina Pascu and Ms. Amy Blair expire at the annual shareholders' meeting of 2022.

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

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

- the (re)appointment of JoVB BVBA (represented by its permanent representative Mr. Jo Van Biesbroeck) as independent director of the Company;
- the (re)appointment of Mr. Manuel Kohnstamm as director of the Company;
- the appointment of Mr. Enrique Rodriguez as director of the Company, as announced following the meeting of the board of directors of 14 March 2019.

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 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, 2018, the board of directors of the Company was composed as follows:

Name	Function	Nominated by
Bert De Graeve (IDw Consult BVBA)	Chairman Bekaert NV	Independent director - CM
Jo Van Biesbroeck (JoVB BVBA)	Director of companies	Independent director
Christiane Franck	Director of companies	Independent director
John Porter	Chief Executive Officer & Managing Director Telenet	
Charles H. Bracken	Executive Vice President & Co-Chief Financial Officer (Principal Financial Officer) of Liberty Global	Liberty Global Group
Diederik Karsten	Executive Vice President, European Broadband Operations of Liberty Global	Liberty Global Group
Amy Blair	Senior Vice President & Chief People Officer of Liberty Global	Liberty Global Group
Manuel Kohnstamm	Senior Vice President & Chief Policy Officer of Liberty Global	Liberty Global Group
Severina Pascu	Chief Operating Officer for Liberty Global's Central Europe Group	Liberty Global Group

CM: Chairman

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

b) Diversity

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

At December 31, 2018, the board of directors included three female members: Ms. Christiane Franck, Ms. Amy Blair and Ms. Severina Pascu. At present, Telenet is in line with the gender composition requirements.

c) Biographies of directors

The following paragraphs set out the biographical information of the members of the board of directors of the Company as of 31 December 2018 as well as the members who are nominated for appointment, or whose appointment should be confirmed at the next general shareholders' meeting, as well as information on other director mandates held by the members of the board of directors of the Company.

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

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

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

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

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

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

Ms. Christiane Franck, independent director (°1951)

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

Charles Bracken, director (°1966)

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

Diederik Karsten, director (°1956)

Diederik Karsten is Executive Vice President and Chief Commercial Officer for Liberty Global. Mr. Karsten is a named executive officer of Liberty Global and sits on Liberty Global's Executive Operations Committee and Executive Leadership Team.

From January 2012 to August 2015, Mr. Karsten served as Liberty Global's Executive Vice President, European Broadband Operations where he was responsible for the day-to-day operations of Liberty Global's broadband operations in 10 European countries. From 2004 until December 2011, he served as the Managing Director for Liberty Global's broadband operations in the Netherlands. Before joining Liberty Global, he served as Chief Executive Officer of KPN Mobile (Netherlands, Germany, Belgium and others) and has served as a non-executive Board Member of Easyjet PLC in the United Kingdom. Before that time, he held various management positions at PepsiCo and Procter & Gamble in the Netherlands, the United States, Germany and the United Kingdom.

Mr. Karsten serves as a director of Telenet Group Holding NV, a Liberty Global subsidiary, and a Belgian public limited liability company and is the Vice-Chairman of the Supervisory Board of VodafoneZiggo JV. He was previously Chairman of the Supervisory Board of VodafoneZiggo JV and prior to that of Ziggo.

Mr. Karsten holds a Masters of Business Administration from Erasmus University in Rotterdam, the Netherlands.

Manuel Kohnstamm, director (°1962)

Manuel Kohnstamm has served as a director of the Company since May 2007. Mr. Kohnstamm is Senior Vice President and Chief Corporate Affairs Officer for Liberty Global, responsible for regulatory strategy, government affairs and internal and external communications. Mr. Kohnstamm joined Liberty Global's predecessor in 1999 and held several positions in corporate affairs, public policy, and communications. He was appointed to his current position as an executive officer of Liberty Global in January 2012. Before he joined Liberty Global, Mr. Kohnstamm worked at Time Warner Inc., as Vice President of Public Affairs in Brussels and with the consulting group European Research Associates in Brussels. Mr. Kohnstamm has been President of the industry association Cable Europe since 2008, and a member of the Supervisory Board of Unitymedia GmbH, a Liberty Global subsidiary in Germany. Mr. Kohnstamm graduated in Political Science and holds a Doctorandus Degree in International and European Law from the University of Amsterdam and a Postgraduate Degree in International relations from the Clingendael Diplomat School in The Hague. He also completed the Cable Executive Management Program from Harvard Business School, Boston (MA).

Severina Pascu, director (°1972)

Severina Pascu serves as the Chief Operating Officer (COO) for Liberty Global's Central Europe Group since 2017 and is combining that position with her role as Managing Director of Liberty Globals's Central Eastern Europe Group since 2015. Before, Ms Pascu served as Chief Financial Officer of UPC Romania from 2008 and became CEO in 2010. Between 2005 and 2008, she held the position of Manager in CAIB Romania, one of the main investment banks in Central Europe. Between 2000 and 2005, Ms Pascu was part of the management of the American cable telecommunication company Metromedia International. Ms Pascu started her career in 1996 in KPMG Romania and then continued in Great Britain. Severina Pascu graduated from the Bucharest Academy of Economic Studies.

Amy Blair, director (°1966)

Amy Blair is the Senior Vice President and Chief People Officer for Liberty Global. In this capacity, she is responsible for the Global People Function, including developing and implementing programs and policies which address employment and retention, compensation and benefits, organizational structure, talent and development, employee engagement, and compliance with applicable federal, state and local laws. In addition, Ms Blair oversees Liberty Global's leadership initiatives to create greater alignment and deliver efficiencies throughout the operations. Ms Blair is an executive officer of Liberty Global and sits on Liberty Global's Executive Leadership Team. Amy Blair holds a Masters of Business Administration from the University of Denver and a Bachelor of Arts from The Colorado College.

Enrique Rodriguez, candidate director

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

André Sarens, observer (°1952)

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

8.5.2 Functioning of the board of directors

The board of directors determines the values and strategy of the Company, supervises and monitors the organization and execution thereof, decides on the risk profile and key policies of the Company, decides on the executive management structure and determines the powers and duties entrusted to the executive management.

The board of directors convenes as often as the interest of the Company requires 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 has installed a number of committees to assist the board with the analysis of specific issues. These committees advise the board on the relevant topics, but the decision authority remains with the board of directors as a whole.

In the year ended December 31, 2018, six scheduled board of directors meetings and four 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 are deemed to avoid, to the extent possible, to perform any actions, to defend certain positions, and to pursue certain interests, if this would conflict, or would give the impression of conflict, with the interests of Telenet. If such conflicts of interest would occur, the director concerned shall immediately inform the chairman hereof. The directors shall then comply with the applicable legal provisions of the Belgian Company Code and, in particular, to the extent legally required, abstain from deliberation and voting on the transaction in which the conflict situation arises. The director shall inform the statutory auditor in writing about the conflict of interest. The minutes shall contain the required information and an excerpt shall be published in the annual report. In 2018, article 523 of the Belgian Company Code was applied once. In 2019, article 523 of the Belgian Company Code is already applied once. More information can be found in section 8.5.6 of this Statement.

In accordance with the Corporate Governance Charter, transactions and/or business relationships between directors and one or more companies of the Telenet Group, which do not strictly fall under the application of article 523 of the Belgian Company Code, should always take place at normal market conditions. The director concerned informs the chairman hereof, in advance of such transactions.

8.5.3 Evaluation of the board of directors

On a regular basis, the board of directors assesses its functioning and its relation with the Company's executive management. 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's corporate secretary, and the results thereof are presented to the Remuneration & Nomination Committee and the board of directors. Appropriate action is taken on those items that require improvement. The last evaluation took place in February 2018 and the board of directors of April 2018 assessed and discussed the results of the same.

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

The Remuneration & Nomination Committee regularly reviews the composition, the size and the functioning of the board of directors of the Company, its main subsidiaries and the different committees within the board of directors. The latest assessment took into account different elements, amongst others the composition and functioning of the board of directors and its committees, the thoroughness with which material subjects and decisions are prepared and discussed, the actual contribution of each director in terms of presence at board and/or committee meetings and the constructive involvement in the deliberation and resolutions, the evaluation whether the effective composition corresponds with the desirable or ideal composition, the application of the corporate governance rules within the Company and its bodies, and an evaluation of the specific roles such as chairman of the board and chairman or member of a board committee.

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

8.5.4 Board Committees

In accordance with the relevant legal requirements, the board of directors has established an Audit Committee and a Remuneration & Nomination Committee. On December 31, 2018, the two board committees were composed as follows:

Name	Audit Committee	Remuneration & Nomination Committee
Bert De Graeve (IDw Consult BVBA)		CM
Jo Van Biesbroeck (JoVB BVBA)	CM	•
Charles H. Bracken		•
Christiane Franck	•	
Severina Pascu	•	

CM: Chairman

The Audit Committee

The principal tasks of the Audit Committee include regularly convening to assist and advise the board of directors with respect to the monitoring of the financial reporting by the Company and its subsidiaries, the monitoring of the effectiveness of the systems for internal control and risk management of the Company, monitoring of the internal audit and its effectiveness, monitoring of the statutory audit of the annual accounts and the consolidated accounts including follow-up on questions and recommendations of the statutory auditor and assessment and monitoring of the independent character of the statutory auditor, taking into account the delivering of additional services to the Company. The Audit Committee also meets at least annually with the external auditor without the presence of the executive management.

The Audit Committee is composed of three members, including two independent directors of the Company, of whom one is the chairman. All members are non-executive directors. One director is appointed upon nomination of Liberty Global. All members contribute broad experience and skills regarding financial items, which have a positive impact on the committee's operation. This composition conforms to article 526bis §1 of the Belgian Company Code regarding the composition of Audit Committees within listed companies, as introduced in December 2008, and the Corporate Governance Code 2009. The meetings of the Audit 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 Committee, particular reference is made to the biography of Mr. Jo Van Biesbroeck, chairman of Telenet's Audit Committee, in section 8.5.1 c) of this Statement. Further reference is made to the biographies of Ms. Severina Pascu and Ms. Christiane Franck, members of the Audit Committee, in section 8.5.1. c) of this Statement.

In the year ended December 31, 2018, the Audit Committee convened five 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 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 Committee and approved by the board of directors. This procedure allows employees of the Company to report improper conduct such as improprieties in accounting, internal control or audit matters or violations of the Code of Conduct or any applicable company policy. Complaints can be reported in confidence via a telephone line or a reporting website and employees can remain anonymous if requested. Complaints received through the telephone line or reporting website are handled by the Compliance team in consultation with the chairman of the Audit Committee.

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

The Remuneration & Nomination Committee

The principal tasks of the Remuneration & Nomination Committee 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 individual remuneration and severance pay of directors and executive management, including variable remuneration and long term performance bonuses, whether or not related to shares, in the form of stock options or other financial instruments (and the resulting proposals to be presented by the board of directors to the shareholders where applicable), the hiring and retention policy, the nomination of the CEO, assisting the CEO with the appointment and succession planning of executive management, the preparation of 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.

Furthermore, the Remuneration & Nomination Committee's tasks include designing an objective and professional (re-) appointment procedure for directors, the periodic evaluation of the scope and composition of the board of directors, searching for potential directors and submitting their applications to the board of directors and making recommendations with respect to candidate-directors.

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 & Nomination Committee. The members of the Committee have ample experience in remuneration matters, amongst other things because they have taken up senior executive roles in large companies in other stages of their careers.

The members of the Remuneration & Nomination Committee on December 31, 2018 were: (i) IDw Consult BVBA (represented by its permanent representative Mr. Bert De Graeve), chairman; (ii) Mr. Charles Bracken and (iii) JoVB BVBA (represented by its permanent representative Mr. Jo Van Biesbroeck). As of the Remuneration & Nomination Committee meeting of February 11, 2019 Mr. Charles Bracken was replaced with Ms. Amy Blair.

In the year ended December 31, 2018, the Remuneration & Nomination Committee met four times in the presence of the CEO (except for 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 granting of stock options to the CEO, the granting of stock options and performance shares to the SLT and the granting of stock options to selected employees.

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

8.5.5 Attendance

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

Name	Board of Directors (10)	Audit Committee (5)	Remuneration & Nomination Committee (4)
Bert De Graeve (IDw Consult BVBA)	10 of (10) CM		4 of (4) CM
John Porter	10 of (10)		
Jo Van Biesbroeck (JoVB BVBA)	8 of (10)	5 of (5) (CM)	4 of (4)
Christiane Franck	9 of (10)	5 of (5)	
Charles H. Bracken	8 of (10)		4 of (4)
Diederik Karsten	7 of (10)		
Manuel Kohnstamm	6 of (10)		
Jim Ryan*	3 of (10)		
Severina Pascu***	4 of (10)	1 of (5)	
Amy Blair***	5 of (10)		
Dana Strong**	4 of (10)		
Suzanne Schoettger¨**	4 of (10)	1 of (5)	
André Sarens (Observer)	10 of (10)	5 of (5)	

CM: Chairman
* Mr. Jim Ryan resigned from the Board of Directors of Telenet Group Holding with effect from August 1, 2018.
** Ms. Suzanne Schoettger and Ms. Dana Strong resigned from the Board of Directors of Telenet Group Holding with effect as of the annual meeting of shareholders which took place on April 25, 2018. At the same time Ms. Schoettger stepped down as member of the Audit Committee and was replaced with Ms. Severina Pascu.
*** Ms. Severina Pascu and Ms. Amy Blair were appointed directors of Telenet Group Holding at the annual meeting of shareholders which took place on April 25, 2018. At the same time, Ms. Severina Pascu was appointed member of the Audit Committee.

8.5.6 Application of legal rules regarding conflicts of interest

During the meeting of the board of directors of February 12, 2018, article 523 of the Belgian Company Code was applied.

At the meeting of February 12, 2018, the board of directors discussed, amongst other items, the evaluation of the overall CEO compensation and merit, the contractual exercise limits set out in the CEO stock option plans, the Performance Share Plan 2015, and the ESPP2017 plan. The minutes of that meeting mention the following in this respect:

"Prior to the reporting on the discussions held within the Remuneration and Nomination Committee meeting of February 7, 2018 and the deliberation and resolving on some of these items (in particular (i) the determination of bonus & merit for the CEO, and (ii) the determination of the achievement of the performance criteria under the CEO SOP 2015 option plan, Mr. John Porter (CEO and Managing Director) informs the Board that he has a (potential) financial conflict of interest regarding this decision in the meaning of Article 523 of the Belgian Companies Code.

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

The chairman of the Remuneration & Nomination committee reports on the discussions held on the determination of bonus & merit for the CEO within the meeting of the Remuneration & Nomination Committee meeting of February 7, 2018. The Committee decided:

- that the CEO will be awarded the maximum bonus of 150% of his annual remuneration, i.e. a bonus of 963,900 Euro;
- to advise the board of directors to approve this bonus amount for the CEO;
- that CEO objectives for the performance year 2018 need to be formulated and discussed with the CEO before the end of February 2018; and
- asks HR management to confirm at the next Remuneration and Nomination Committee meeting of 16 March 2018 that Deloitte has covered/ is covering all tax related aspects of the CEO's remuneration package.

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 decisions of the Remuneration & Nomination Committee as set out above.

The chairman of the Remuneration & Nomination committee reports on the discussions held on the achievement of the performance criteria for the CEO SOP 2015 within the meeting of the Remuneration & Nomination Committee meeting of February 7, 2018. The Committee decided:

- that in accordance with the powers granted to the Committee under the relevant stock option plans in relation to the management of the plans and the determination of the achievement of the performance criteria, the Committee advises the board that the relevant performance target for the performance year 2017 has been achieved under the CEO SOP 2015.

After discussion and taking into account the advice of the Remuneration & Nomination Committee, the board decides to confirm, approve and endorse, to the extent necessary, the achievement of the performance criteria under the CEO SOP 2015.

During the meeting of the board of directors of February 12, 2019, article 523 of the Belgian Company Code was applied.

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

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

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

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

- unanimously decides that the CEO will be awarded the maximum bonus of 150% of his annual remuneration, i.e. a bonus of 938,385 Euro; and

- unanimously advises the board of directors to approve this bonus amount for the CEO.

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

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

- that the results of 2018 have resulted in an (over)achievement of the performance criteria under the Performance Share Plan (199%);

- to advise the board of directors accordingly.

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

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

The Company adopted a Dealing Code which intends 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 inside information (e.g. by buying or selling shares or other securities of the Company 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 legal basis for this Code is Regulation No 596/2014 on market abuse (the "**Market Abuse Regulation**"), together with its implementing regulations and ESMA and FSMA guidance.

The Company 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 Company and its subsidiaries. In addition, the Company organizes regular training sessions to persons that 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 the Company, 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.

Finally, any dealings in Company securities by persons discharging managerial responsibilities and persons closely associated, are reported as soon as possible to the FSMA, as well as to the General Counsel as compliance officer responsible for supervising compliance with the market abuse rules and regulations and the Dealing Code. The Company's Dealing Code was last revised on December 13, 2017.

8.6 Daily management

8.6.1 General

The CEO is responsible for the daily management of the Company. The CEO is assisted by the executive management ("**SLT**"), of which he is the chairman, and that does not constitute a management committee within the meaning of article 524bis of the Belgian Company Code.

On April 1, 2013, Mr. John Porter was appointed as CEO of the Company. At December 31, 2018, five women were part of the Senior Leadership Team (see below for full composition of the SLT).

At December 31, 2018, the SLT was composed as follows:

Name	Year of birth	Position
John Porter	1957	Chief Executive Officer
Erik Van den Enden	1978	Chief Financial Officer
Luc Machtelinckx	1962	Executive Vice President - General Counsel
Micha Berger	1970	Chief Technology Officer
Sam Lloyd	1974	Chief Information Officer
Patrick Vincent	1963	Chief Transformation Officer
Jeroen Bronselaer	1978	Senior Vice President Residential Marketing
Martine Tempels	1961	Senior Vice President Telenet Business
Claudia Poels	1967	Senior Vice President Human Resources
Dieter Nieuwdorp	1975	Senior Vice President Strategy & Corporate Development
Ann Caluwaerts	1966	Senior Vice President Corporate Affairs & Wholesale
Benedikte Paulissen	1969	Chief Customer Officer

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 28 February 2019.

8.6.2 Conflicts of interest

Pursuant to the Corporate Governance Charter, the members of the SLT are deemed to avoid, to the extent possible, 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 the Company. If such conflicts of interest would occur, the concerned member of the SLT shall immediately inform the CEO hereof, who will in turn inform the chairman of the board of directors.

Transactions and/or business relationships between members of the SLT and one or more companies of the Telenet Group should in any case take place at normal market conditions.

8.6.3 Biographies of the members of the SLT

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

John Porter, Chief Executive Officer

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

Erik Van den Enden, Chief Financial Officer

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

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

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

Luc Machtelinckx, Executive Vice President and General Counsel

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

Micha Berger, Chief Technology Officer

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

Sam Lloyd, Chief Information Officer

Sam Lloyd joined Telenet in February 2016 to run the IT function for the combined Telenet and Base group. This division is responsible for running all of the IT systems across Telenet and the newly acquired Base company covering all software and hardware - including Digital, AI, websites / Portals, Sales, CRM, Billing, OSS, middleware, BI, Big data and Enterprise / ERP. Responsibilities include all operational support of the systems estate, cyber security, all software development, and testing of all new releases and technology. Sam is also driving a number of major systems transformation programmes across Telenet to consolidate the estate post recent M&A activity and implement new technologies in Digital and AI supporting the companies digital first agenda. Prior to joining Telenet, Sam held the position of Director Development & Delivery at Virgin Media in the UK. Sam has more than 20 years experience in the IT sector running and developing IT environments across the Utilities and Telecoms industries.

Patrick Vincent, Chief Transformation Officer

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

Jeroen Bronselaer, Senior Vice President Residential Marketing

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

Martine Tempels, Senior Vice President Telenet for Business

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

Claudia Poels, Senior Vice President Human Resources

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

Dieter Nieuwdorp, Senior Vice President Strategy & Corporate Development

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

Ann Caluwaerts, Senior Vice President Corporate Affairs

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

Benedikte Paulissen, Chief Customer Officer

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

8.7 Remuneration report

8.7.1 Remuneration of directors

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

Furthermore, each non-executive director's remuneration consists of an annual fixed fee, increased with an attendance fee per attended meeting of the board of directors. All directors, except the CEO, the chairman of the board of directors and the directors appointed upon nomination of the Liberty Global Group, receive an annual fixed fee of €45,000 each. The directors appointed upon nomination of the Liberty Global Group, receive an annual fixed fee of €12,000 each. For each attended scheduled meeting of the board of directors, they receive an amount of €2,000. The annual fixed fees are only due if the director attends at least half of the scheduled board meetings. The independent directors are awarded remuneration for (attending) committee meetings (see above). The observer to the board of directors of Telenet is paid in the same fashion as the independent directors of Telenet.

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

For the year ended December 31, 2018, the aggregate remuneration of the members of the board of directors (including the observer) amounted to €481,000 for the Company (see table below for individual remuneration).

None of the directors (except the CEO of the Company) receives: variable remuneration within the meaning of the Law of April 6, 2010, and any profit-related incentives, option rights, shares or other similar fees.

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

The individual remuneration paid for each member of the board of directors and the observer to the board for the year ended December 31, 2018 is set out in the table below.

Name	Remuneration 2018
Bert De Graeve (IDw Consult BVBA) (CCM) **	€144,500
John Porter	-
Christiane Franck **	€69,500
Jo Van Biesbroeck (JoVB BVBA) **	€69,500
Charles H. Bracken	€26,000
Diederik Karsten	€24,000
Manuel Kohnstamm	€22,000
Amy Blair	€18,000
Severina Pascu	€16,000
Jim Ryan	€12,000
Dana Strong	€4,000
Suzanne Schoettger	€6,000
André Sarens */ **	€69,500

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

(*): Observer

(**) Remuneration not including Committee fees

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

8.7.2. Remuneration of Executive Management (Senior Leadership Team)

1. General remuneration principles

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

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

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

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

a) General

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

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

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

Each member of the SLT is remunerated by taking into account (i) his/her personal functioning and (ii) pre-agreed (company-wide and individual) targets. For the year ended December 31, 2018, 100% of management's bonuses (other than the CEO) depend on financial and operational targets, individual and departmental objectives will define a multiplier of the bonus. The functioning of each member of the SLT is assessed on the basis of the company's competence and leadership model.

Within the limits of the existing stock option plans approved by the general shareholders' meeting, the board of directors, upon recommendation of the Remuneration & Nomination Committee, can also grant stock options to the members of the SLT.

The Performance Share Plans 2018, 2016 and 2015 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.

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.

In 2011, the variable remuneration of the CEO and the members of the SLT of the Company was reviewed in order to comply with the binding provisions of the Law of April 6, 2010 and the relevant principles of the Belgian Corporate Governance Code on executive remuneration. The general shareholders' meeting of April 27, 2011 and April 2014 approved these remuneration principles of the CEO and the other members of the SLT. The Company expects the remuneration principles of the members of the SLT of the Company for the next two financial years to be consistent with the current remuneration policy, but does expect a further differentiation in the long term incentive plans.

b) Remuneration principles for the CEO

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

The variable cash remuneration of the CEO is based on his general performance over the year. Every year, the Remuneration & Nomination Committee formulates a bonus and salary proposal for approval by the board of directors. For 2018, the Remuneration & Nomination Committee proposed to the board of directors (i) to grant a cash bonus to the CEO for 2018 equal to €938,385; (ii) to determine his fixed compensation for 2018 to be €630,000 on an annual basis; (iii) to determine the maximum cash bonus for 2018 to be 150% of the 2018 annual fixed compensation.

The CEO is eligible for share-based remuneration. For details on the share-based remuneration of the CEO (including the share-based remuneration received in 2018), please see section 3.b) below.

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

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

The agreements with the members of the SLT (excluding the CEO) do not contain specific references to the criteria to be taken into account when determining variable remuneration, which deviates from provision 7.17 of the Belgian Corporate Governance Code 2009. The Company sets out the principles of variable remuneration in a general policy because it believes that there should be sufficient flexibility in the determination of the variable remuneration principles that allows for the consideration of prevailing market circumstances.

The variable cash remuneration depends on performance criteria relating to the respective financial year. With respect to the bonus for each member of the SLT (excluding the CEO) for performance year 2018, 100% was linked to the Company's financial and operational targets, an additional multiplier was linked to the individual evaluation score based on achieving the success of the individual and departmental objectives. Upon advice of the CEO, the Remuneration & Nomination Committee decides on the achievement of the performance criteria of each member of the SLT as leader of their department and as an individual.

For the year ended December 31, 2018, the board of directors approved to grant a total variable remuneration package to the CEO and the members of the SLT, composed of a cash bonus and performance shares.

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

The members of the SLT are eligible for share-based remuneration. For details on the share-based remuneration of the members of the SLT (including the share-based remuneration received in 2018), please see section 4.b) below.

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

3. Remuneration CEO

a) Cash-based remuneration

The Company's CEO was granted the following remuneration in the year ended December 31, 2018: (i) a fixed remuneration of €630,000, (ii) a variable remuneration of €938,385, and (iii) benefits in kind valued at €76,765.48. As mentioned in section 8.7.1, the CEO is not remunerated for the exercise of his mandate as director of the Company or any other Telenet companies.

The relative weight these components for the year ended December 31, 2018 was: (i) fixed remuneration 38.3%, (ii) variable remuneration 57%, and (iii) benefits in kind 4.7%.

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

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

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

b) Share-based remuneration

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

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

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

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

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

On July 15, 2014, the CEO received 180,000 stock options under the CEO Stock Option Plan 2014 bis ("**CEO SOP 2014 bis**"). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis.

The term of the stock options is five years, such that all of the stock options granted under the CEO SOP 2014 bis have an expiration date of July 15, 2019. The stock options vested in three installments, on July 15, 2015, July 15, 2016 and July 15, 2017, respectively. All stock options that vested pursuant to the CEO SOP 2014 bis become exercisable during defined exercise periods as from July 15, 2017.

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

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

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

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

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

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

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

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

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

On June 8, 2017, the CEO received 177,680 stock options under the ESOP 2017 plan (see also 8.3.1). These stock options are options of a contractual nature to acquire existing shares, giving the CEO the right to acquire existing shares of the Company, on a one to one basis.
The term of the stock options is five years, such that all of the stock options granted under the ESOP 2017 plan, have an expiration date of June 8, 2022. The stock options vest in quarterly installments.

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

During the year ended December 31, 2018, the beneficiary of the CEO Stock Option Plan 2014bis exercised 90,000 vested stock options of the respective plan, resulting in the delivery of a total of 90,000 own shares held by the Company.

As of December 31, 2018, Mr. Porter had been granted the following stock options:

Name Plan	Number of stock options outstanding	Current Exercise price*	Vesting	Expiration date
CEO SOP 2014				
first installment	138,750	€34.51	June 26, 2016	June 26, 2020
second installment	46,250	€34.51	March 1, 2017	June 26, 2020
CEO SOP 2014 bis**				
first installment	—	€34.95	July 15, 2015	July 15, 2019
second installment	22,500	€34.95	July 15, 2016	July 15, 2019
third installment	67,500	€34.95	July 15, 2017	July 15, 2019
CEO SOP 2015				
first installment	55,000	€50.57	March 13, 2016	March 13, 2020
second installment	63,000	€50.57	March 13, 2017	March 13, 2020
third installment	62,000	€50.57	March 13, 2018	March 13, 2020
ESOP 2016				
	244,209	€40.36	Quarterly	April 15, 2021
ESOP 2017				
	177,680	€51.60	Quarterly	June 8, 2022
ESOP 2018				
	204,942	€37.91	Quarterly	June 6, 2023

*Upon the payment of the extraordinary dividend on October 4, 2018, the Company adjusted all options to ensure that benefits granted to the option holders were not reduced. The number of options was increased and the exercise price was decreased. More details on the extraordinary dividend and respective adjustments can be found in note 5.12 to the consolidated financial statements.
** During the year ended December 31, 2018, the beneficiary of the CEO Stock Option Plan 2014bis exercised 90,000 vested stock options of the respective plan, resulting in the delivery of a total of 90,000 own shares held by the Company.

c) Termination arrangements

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

4. Remuneration Senior Leadership Team

a) Cash-based remuneration

For the year ended December 31, 2018, the aggregate remuneration paid to the other members of the SLT (excluding the CEO), amounted to €5,832,038. All members of the SLT (excluding the CEO) have an employment agreement with Telenet BVBA.

This amount is composed of the following elements (for all members jointly, excluding the CEO): (i) a fixed salary of €2,950,201, a variable salary of €2,275,662 (constituting 100% of the total cash bonus of 2018 and the vested performance shares), (iii) paid premiums for group insurance for an amount of €377,657 and (iv) benefits in kind valued at €228,519. All amounts are gross without employer's social security contributions.

The members of the SLT (excluding the CEO) benefit from a defined benefit pension scheme. The plan is financed by both employer and employee contributions. The total service cost (without contributions of the employees) amounted to €263,649.

The benefits in kind include insurance for medical costs, a company car, representation allowance, luncheon vouchers and for some members housing and travel expenses. The members of the SLT (excluding the CEO) further receive a price reduction with respect to Telenet products or services they order. The members of the SLT receive no benefits in cash linked to a performance period of longer than one year.

b) Share-based compensation

On February 7, 2018, the board of directors determined that the performance targets applicable to the 2015 Telenet Performance Shares were met, resulting in the vesting of these performance shares on June 18, 2018. On February 7, 2018 the Remuneration & Nomination Committee decided to settle the vested performance shares in shares of the Company. Following the decision of the Remuneration & Nomination Committee at total of 11,195 (net amount shares) were paid out.

An overview of the numbers of 2015 Telenet performance shares vested in favor of (current) members of the Senior Leadership Team can be found below:

Name	Number of 2015 performance shares vested (gross amount)
Berger Micha	3,013
Caluwaerts Ann	2,280
Birgit Conix**	2,989
Kurup Veenod*	3,013
Machtelinckx Luc	2,607
Poels Claudia	2,211
Smidts Inge*	2,514
Tempels Martine	2,202
Benedikte Paulissen	1,888
Nieuwdorp Dieter	2,109
Vincent Patrick	2,866

(*) Ms. Inge Smidts and Mr. Veenod Kurup left the Company in 2015, but are entitled to Performance Shares.
(**) Ms. Birgit Conix left the Company in 2018, but is entitled to Performance Shares.

On December 31, 2018, the current members of the SLT (excluding the CEO) held in aggregate 189,348 exercisable stock options under the ESOP 2014, 167,430 under the ESOP 2015, 230,382 under the ESOP 2016, 90,791 under the ESOP 2017 and 43,775 under the ESOP 2018. Each stock option can be exercised for one share. The vesting of these stock options occurs progressively (per quarter) over a period of four years. The stock options become exercisable after vesting.

During 2018, the members of the SLT also received stock options under the ESOP 2018/ESOP 2018 bis. An overview of the stock options granted to (and accepted by) the current members of the SLT (excluding the CEO) during 2018 can be found in the table below:

Name	Grant	Number of stock options granted	Number of stock options accepted	Current Exercise price*
Berger Micha	ESOP 2018	68,314	15,000	€37.91
Bronselaer Jeroen	ESOP 2018	37,572	20,000	€37.91
Caluwaerts Ann	ESOP 2018	29,638	15,000	€37.91
Van den Enden Erik	ESOP 2018 bis	53,781	53,781	€44.62
Lloyd Sam	ESOP 2018	29,638	—	€37.91
Machtelinckx Luc	ESOP 2018	29,638	15,000	€37.91
Nieuwdorp Dieter	ESOP 2018	29,638	29,638	€37.91
Paulissen Benedikte	ESOP 2018	37,572	20,000	€37.91
Poels Claudia	ESOP 2018	29,638	29,638	€37.91
Tempels Martine	ESOP 2018	37,572	30,000	€37.91
Vincent Patrick	ESOP 2018	37,572	20,000	€37.91

*Upon the payment of the extraordinary dividend on October 4, 2018, the Company adjusted all options to ensure that benefits granted to the option holders were not reduced. The number of options was increased and the exercise price was decreased. More details on the extraordinary dividend and respective adjustments can be found in note 5.12 to the consolidated financial statements.

An overview of the stock options exercised by the members of the SLT (excluding the CEO) during 2018, while they were members of the SLT, can be found in the table below:

Name	Number of stock options exercised	Current Exercise Price*	Plan
Berger Micha	12,500	34.33	ESOP 2013
Bronselaer Jeroen	150	34.33	ESOP 2013
	11,267	40.18	ESOP 2014
Caluwaerts Ann	15,000	40.18	ESOP 2014
Machtelinckx Luc	15,000	40.18	ESOP 2014
Nieuwdorp Dieter	2,000	34.33	ESOP 2013
Paulissen Benedikte	1,250	34.33	ESOP 2013
	11,267	40.18	ESOP 2014
Poels Claudia	30,000	34.33	ESOP 2013
Tempels Martine	26,000	40.18	ESOP 2014
Vincent Patrick	2,500	34.33	ESOP 2013
	19,436	40.18	ESOP 2014
	17,307	40.36	ESOP 2016

* Upon the payment of the extraordinary dividend on October 4, 2018, the Company adjusted all options to ensure that benefits granted to the option holders were not reduced. The number of options was increased and the exercise price was decreased. More details on the extraordinary dividend and respective adjustments can be found in note 5.12 to the consolidated financial statements.

c) Termination arrangements

The employment agreements of some members of the SLT, all concluded before July 2009, contain termination arrangements providing for a notice period which can exceed twelve months in case of termination by Telenet BVBA (other than for cause):

Mr. Luc Machtelinckx has a contractual termination clause, providing for the performance during a notice period in case of termination by the Company (except for cause) to be calculated on the basis of the 'formula Claeys', which may be replaced (with the prior agreement of Mr. Machtelinckx) by an indemnification payment (without performance).

The employment agreement with Ms. Martine Tempels, concluded when she was not yet a member of the SLT (and before May 4, 2010, i.e. the date of entry into force of the Law of April 6, 2010), does contain specific provisions relating to early termination, although it does not contain a clause specifying that severance pay in the event of early termination should not exceed 12 months' remuneration, which for the latter point deviates from provision 7.18. of the Belgian Corporate Governance Code 2009. The Company did not conclude a new agreement with her at the occasion of her appointment as member of the SLT.

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

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

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

Each new agreement concluded with members of the SLT after May 4, 2010, comply with the legal provisions of the Law of April 6, 2010 and the Belgian Corporate Governance Code 2009.

8.8 Audit of the company

8.8.1 External audit by statutory auditors

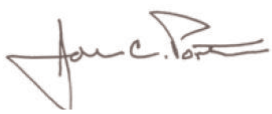
For details on the audit and non-audit fees paid to the auditor in the year ended December 31, 2018, we refer to note 5.31 to the consolidated financial statements of the Company.

8.8.2 Internal audit

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

Brussels, March 14, 2019

On behalf of the board of directors



John Porter
Chief Executive Officer

Bert De Graeve
Chairman