

**CORPORATE GOVERNANCE CHARTER  
TELENET GROUP**

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## INTRODUCTION

Telenet Group Holding NV is a limited liability company under Belgian law having its registered offices at Neerveldstraat 107, 1200 Sint-Lambrechts-Woluwe, Belgium, registered with the Crossroad Bank for Enterprises under the number 0477.702.333 (RLE Brussels) (hereafter the **Company** or **Telenet**). Telenet has been incorporated on 3 June 2002 for an unlimited term as the ultimate parent company of the Telenet group (the **Group**). Telenet is quoted on Euronext Brussels as part of the BEL-20 Index under ticker symbol TNET.

The Group provides entertainment and telecommunication services in Belgium and Luxembourg and is always looking for the perfect experience in the digital world for its customers. Under the brand name Telenet, the Group focuses on offering digital video, high-speed Internet and fixed and mobile telephony services to residential customers in Flanders and Brussels. Under the brand name BASE, it supplies mobile telephony in Belgium. The Telenet Business department serves the business market in Belgium and Luxembourg with connectivity, hosting and security solutions. Telenet and De Vijver Media provide consumers with an innovative media & entertainment experience, offering top-notch local and international content across different platforms. More than 3,000 employees have one aim in mind: making living and working easier and more pleasant. Telenet's majority shareholder is the Liberty Global Group - one of the world's leading converged video, broadband and communications companies, innovating and empowering people in six countries across Europe to make the most of the digital revolution.

As a listed company and in accordance with the Royal Decree of 12 May 2019 setting out the mandatory corporate governance code for listed companies, Telenet is required to adhere to the Belgian Corporate Governance Code 2020 (the **Code**). Pursuant to the Code, Telenet has issued the present Corporate Governance Charter (the **Charter**) describing the main aspects of the governance of Telenet, such as its governance structure, the terms of reference of its Board and committees, the organisation of its internal and external auditing and its risk management, as well as other important topics.

The Board reviews the Charter from time to time and makes such amendments as it deems necessary and appropriate to maintain its accuracy and completeness. This latest version of the Charter has been approved by the Board on 24 March 2020 and replaces the previous version of 12 February 2019.

The Charter should be read together with the articles of association of Telenet (the **Articles of Association**), the relevant provisions of Belgian law, and the Code. In case of inconsistencies between the Charter and the Articles of Association, the Articles of Association will prevail. Summaries or descriptions, if any, in this Charter of legal and statutory provisions, company structures or contractual relations are for information purposes only and should not be considered as legal or tax advice as to the interpretation or enforceability of such provisions, structures or relations.

The Charter is made available in Dutch and in English on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>). In case of inconsistencies between the Dutch and English version, the Dutch version will prevail. Unless the context requires so or unless determined otherwise in this Charter, the defined terms and words shall have the meaning given to it on the last page of this Charter.

On behalf of the Board,

24 March 2020

## **MISSION AND VISION OF TELENET**

### **Mission**

*Telenet is a leading Belgian player in entertainment and business solutions which are supported by fixed and mobile networks of premium quality. We believe in the enormous potential of digital and want to help our residential and business customers stay ahead in the digital age. We want to build a society in which people enjoy working and living together, and in which they fully embrace the digital possibilities. For a better quality of life.*

*This mission is underpinned by a business strategy based on four pillars: continue to play a leading role with superior connectivity and platforms; accelerate growth in the business segment; make maximum use of our strong brands and rich customer experience in the residential market; and opt for 'digital first' in our business operations.*

*At Telenet we strive for sustainable growth, with the right balance between operational excellence and social responsibility, taking into account the social, economic and environmental aspects of our business operations. Together with our employees and our partners, we want to make a positive contribution to the Belgian digital economy and build a digital society that is accessible to all.*

### **Vision**

*As a leading telecommunications company and leading media and entertainment player in Belgium, Telenet attaches importance to innovation. That is why we are investing in a continuous optimization of our digital solutions for the residential market and the business world, in the constant expansion of our technological possibilities and in the broadening of our entertainment offer. A convincing marketing and communication approach, a creative product mix and an efficient customer service ensure that Telenet can continue to convince its existing target groups and can continue to appeal to new target groups. Telenet is aware of its responsibility within society. Telenet therefore strives for sustainable growth, with a good balance between financial results and social responsibility. We want to make a positive contribution to society, the economy and the environment. We do this by offering our customers innovative products and services, by creating local employment opportunities, by using resources in a responsible manner and by demonstrating social involvement. This involvement mainly translates into the structural support of social projects that further close the digital divide between the different population groups and that allow everyone to develop their skills and talents in the digital knowledge economy.*

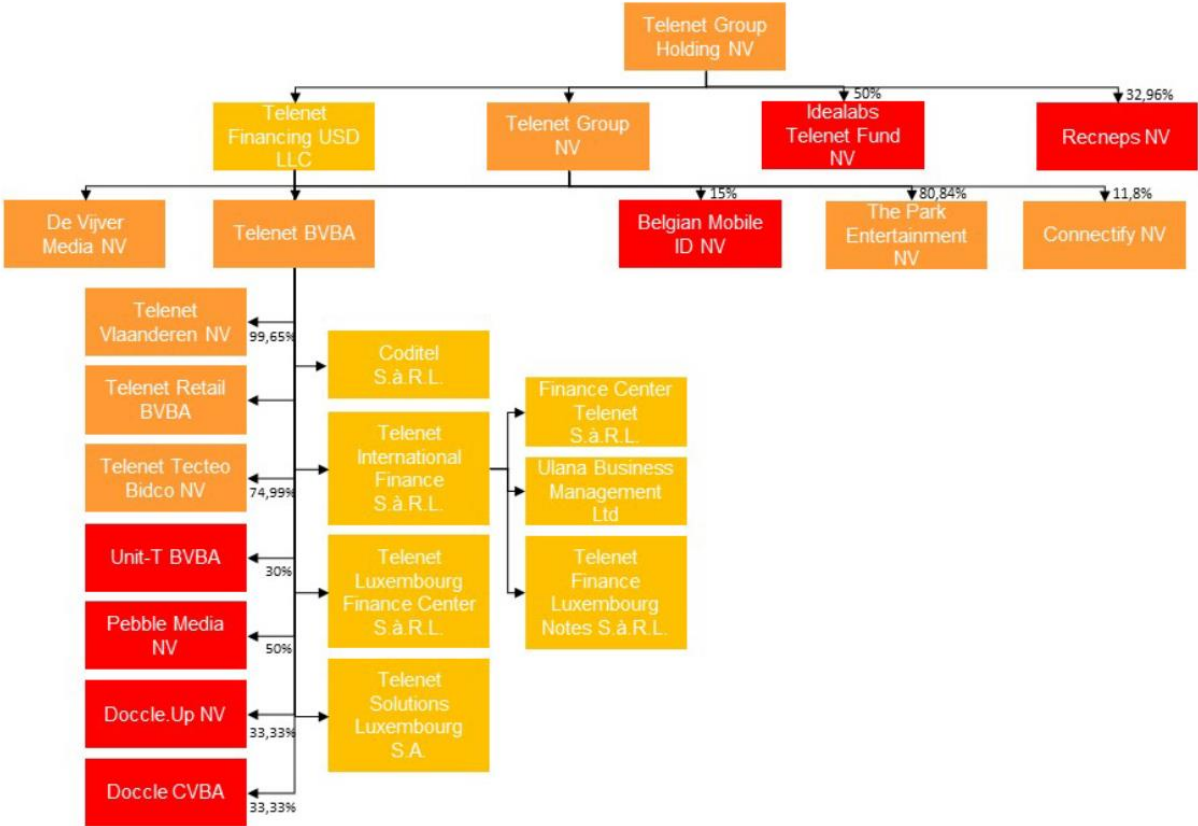
**1. PART I: Structure and organisation**

**1.1. Governance structure**

Telenet has opted for a monistic (one-tier) governance structure, whereby the Board is authorized to carry out all actions that are necessary or useful to achieve Telenet’s purpose, except for those for which the general meeting is authorized by law. Telenet considers the one-tier structure to be the most appropriate structure for it. Telenet has in the past consistently adopted a one-tier structure and this structure has proven to function well and effectively in the fast-moving sectors in which it operates. Telenet’s sector indeed requires rapid and dynamic decision-making as well as close interaction and cooperation between the Board and management (where, in a two-tier system, the CEO may not be part of the Board). In addition, Telenet believes that, since as all but one of its directors are non-executives, the supervisory function of the Board is effectively exercised. The Board reviews once every five years whether the chosen monistic (one-tier) governance structure is still appropriate. If this is no longer the case, the Board will propose a new governance structure to the general shareholders’ meeting. The composition, role, competences and functioning of the Board are further described under Title 3.4 of the Charter.

**1.2. Group structure**

The scheme below sets out the Group structure as of 24 March 2020:



An up-to-date version of the Group structure can be consulted at any time on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>). The main share ownerships within the Group are set out in further detail below.

**Telenet Group NV** is the third largest mobile network operator and leading provider of integrated telecom services in Belgium. Telenet Group NV was acquired by Telenet Group Holding NV on 11 February 2016 from Royal KPN. Telenet Group NV offers its services under the brand name "Telenet" in Flanders and Brussels, and under the brand name BASE over the entire Belgian footprint.

**Telenet BV** is, together with Telenet Group NV, one of the core operational companies of the Telenet Group and manages the cable platform of the Group. Under the brand names “Telenet” and “Telenet Business”, Telenet BV, as a telecom and entertainment company, offers its services on the residential and business markets in Flanders, Brussels and part of Wallonia. Telenet BV has entered into a consortial bank credit contract entered into in 2007, which was amended several times and for the last time on November 16, 2018 (the **Senior Credit Facility**). As from 2010, its subsidiary Telenet International Finance S.à r.l. has become the largest borrower under the Senior Credit Facility.

Telenet BV and Telenet Group NV collaborate across all strategic domains to be able to offer an all-inclusive commercial offer to their clients. Together, they have organized their leadership structure to increase responsiveness to customer and market demands, translating and integrating the overall strategy to their respective mobile, fixed and converged businesses.

**Coditel Brabant BVBA** and its subsidiary **Coditel S.à r.l.** (together **SFR BeLux**) were acquired by Telenet Group NV on 19 June 2017. As a result of the acquisition of SFR BeLux, the Group was able to expand its cable footprint in Brussels, in part of Wallonia and in parts of the Grand Duchy of Luxembourg, and to further position itself in Belgium as a convergent telecom operator for both residential and business customers. Coditel Brabant BVBA has merged into Telenet BV on 30 July 2019.

**Telenet Vlaanderen NV** primarily holds part of the usage rights on the network of Telenet BV. The board of directors of Telenet Vlaanderen NV further supervises the Public Interest Guarantees (as defined in its articles of association).

**Telenet Retail BV** operates the Telenet retail shops and Telenet centers, acting as the non-exclusive representative of the Telenet Group for, amongst others, subscriptions to mobile and fixed telephony services, handsets and other.

**TelelinQ NV**, and its subsidiaries **Nextel NV**, **Nextel Telecom Solutions NV** and **TelelinQ D & F NV** (collectively **Nextel**) were acquired by Telenet Group NV on 1 June 2018. Nextel is an integrator of ICT, operator and security solutions for businesses. As a Belgian integrator, Nextel is active at large companies, SMEs, healthcare institutions, non-profit organizations and governments. Nextel has offices in Wommelgem and Zaventem, has around 315 permanent employees and provides services to more than 5,000 customers and 10,000 sites. Following the merger of Nextel NV into Telenet BV on 31 December 2019, all Nextel entities have been merged into Telenet BV.

**De Vijver Media NV** and its direct and indirect subsidiaries own the commercial channels VIER, VIJF, ZES and production house Woestijnvis. Telenet Group NV acquired the full ownership in De Vijver Media NV on 3 June 2019.

**Unit-T BV** is a joint venture group between Telenet BV and Solutions 30 focused on field services in Belgium. Unit-T BVBA been established on 1 July 2018. Telenet BV holds a 30% participation in Unit-T BV.

**The Park Entertainment NV** is a joint venture between Telenet Group NV (majority shareholder) and 9.5 Magnitude Ventures NV (minority shareholder), in which technological strengths are optimally linked to entertainment through virtual reality in order to deliver immersive entertainment experiences to its customers. The Park Entertainment NV is operational in several cities, including Antwerp, Ghent, Hasselt and Kortrijk.

**Telenet International Finance S.à r.l.** is a Luxembourg subsidiary of Telenet BV and manages the external and intra-group financing activities of the Group, in order to finance amongst others, group investments, working capital requirements, acquisitions, and other.

In addition, at the date of this Charter, the Belgian operational company Telenet Tecteo BidCo NV is also part of the Group, as well as the other Luxembourg financing subsidiaries in the Grand Duchy of Luxembourg, namely Telenet Luxembourg Finance Center S. à r. l., Finance Center Telenet S. à r. l., Telenet Finance Luxembourg Notes S.à r.l. and one operational company with limited activities, being Telenet Solutions Luxembourg S.A.

Finally, Telenet also holds (directly or indirectly) several minority participations in other companies. In particular, Telenet holds a shareholding in:

- Pebble Media NV, a joint-venture with Vlaamse Audiovisuele Regie NV (VAR);
- Doccle.Up NV and Doccle CVBA, both joint-ventures with Nationaal Hulpfonds VZW and Acerta CVBA;
- Idealabs Telenet Fund NV (50% participation), a joint-venture with Nikeventures BV;
- Belgian Mobile ID NV;
- Recneps NV;
- Connectify NV; and
- EuroCableCertification BV (one share), a certification company incorporated by the professional organization "EuroCable".



## **2. PART II: Shareholder Structure**

### **2.1. Capital, shares and other securities**

The current share capital and number of shares of Telenet may be consulted on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>). All shares are ordinary shares representing an equal capital value, and each share confers the right to one vote at the General Meeting. An exception hereon exists for:

- (i) 30 Golden Shares, held by the mixed intercommunales from whom Telenet acquired the cable infrastructure in earlier times. The Golden Shares were granted to enable the mixed intercommunales to monitor certain guarantees to protect the public interest, in particular on (i) price and content of basic packages, (ii) roll-out obligations for the digital platform, and (iii) the provision of public services which utilize new technologies to local administrations at cost price, all of which are complied with by Telenet (the **Public Interest Guarantees**). 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, and can only be transferred per lot of three shares.
- (ii) 94,843 Liquidation Dispreference Shares. These are shares held by Interkabel Vlaanderen CVBA (pure intercommunales) and the Liberty Global-group. Except with respect to the liquidation dispreference in case of liquidation of Telenet, the liquidation dispreference shares carry the same rights as the ordinary shares and such shares participate in the capital and the dividends in the same manner as the ordinary shares. On simple request, they can be converted into ordinary shares on the basis of 1.04 Liquidation Dispreference Share for 1 ordinary share.

In the event of a liquidation of Telenet, the liquidation dispreference shall apply if, following (i) the fact that Telenet Vlaanderen NV or Telenet BV has been declared bankrupt or has been liquidated, or (ii) a unanimous and definitive decision of the Board to cease each direct and indirect development, installation or exploitation of the Telenet telecommunication network in Belgium, Interkabel terminates the usage rights, which the Group (through Telenet Vlaanderen NV) holds on its network. In such case, the shares, which are subject to the dispreference, shall entitle the holders thereof only to the possible proceeds of the liquidation for the part above € 8.02 per share.

The ordinary shares of Telenet are registered shares or dematerialized shares, at the choice of the shareholder. Registered shares are registered in the share register of Telenet, held at Telenet's registered offices. Dematerialized shares are recorded into a securities account of the shareholder. Registered shares can be converted into dematerialized shares and vice versa, upon simple request and at the expense of the shareholder. The Liquidation Dispreference Shares and the Golden Shares are registered shares and cannot be converted into dematerialized shares, unless under specific conditions.

For a detailed and up to date overview of the outstanding shares of Telenet, reference is made to the information provided on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>).

In addition to shares, Telenet has at the date hereof, the following securities outstanding:

ESOP 2015 Options: these options were granted or still can be granted to key members of management of the Group in the framework of the "Stock Option Plan 2015". Under certain circumstances, these options give the right to acquire existing ordinary shares.

ESOP 2016 Options: these options were granted or still can be granted to members of the Senior Leadership Team (including the CEO) in the framework of the "Stock Option Plan 2016". Under certain circumstances, these options give the right to acquire existing ordinary shares.

ESOP 2016bis Options: these options were granted or still can be granted to key members of management of the Group in the framework of the “Stock Option Plan 2016bis”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

ESOP 2017 Options: these options were granted or still can be granted to members of the Senior Leadership Team (including the CEO) in the framework of the “Stock Option Plan 2017”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

ESOP 2017bis Options: these options were granted or still can be granted to key members of management of the Group in the framework of the “Stock Option Plan 2017bis”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

ESOP 2018 Options: these options were granted or still can be granted to members of the Senior Leadership Team (including the CEO) and key members of management of the Group in the framework of the “Stock Option Plan 2018”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

ESOP 2018bis Options: these options were granted or still can be granted to a specific member the Senior Leadership Team in the framework of the “Stock Option Plan 2018bis”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

ESOP 2019 Options: these options were granted or still can be granted to members of the Senior Leadership Team (including the CEO) and key members of management of the Group in the framework of the “Stock Option Plan 2019”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

CEO SOP 2015 Options: these options were granted to the CEO of Telenet in the framework of the “CEO Stock Option Plan 2015”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

SSOP 2015bis: these options were granted to a member of management in the framework of the “Special Prestation Share Option Plan 2015bis”. Under certain circumstances, these options give the right to acquire existing ordinary shares.

Additional long-term incentive plans may be issued by Telenet from time to time following decision by the Board, taken upon recommendation of the Remuneration and Nomination Committee.

## **2.2. Changes in the capital**

A capital increase or capital decrease is decided upon by the extraordinary shareholders’ meeting of Telenet. In order to approve such increases or decreases of Telenet’s capital, at least half of the voting shares should be present or represented at the extraordinary shareholders’ meeting, which shall resolve on the capital increase or decrease.

The extraordinary shareholders’ meeting may also, within the constraints of the mandatory provisions contained in company law, grant authorization to the Board to increase the capital on the dates and/or in the periods and subject to the conditions that it specifies.

In accordance with the Belgian Companies Code, each shareholder is entitled to a preferential subscription right in the event of a capital increase in cash pursuant to which he can subscribe to the capital increase in relation to her/his shareholding.

## **2.3. Shareholding structure**

Pursuant to the law of 2 May 2007 on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and holding various provisions and the Articles of Association, Telenet and the Belgian Financial Services and Markets Authority (the **FSMA**) should be notified whenever a natural person or legal entity falls below or exceeds the threshold of 3%, 5%, 10% (or every subsequent multiple of 5%) of the total number of voting securities of Telenet. Declaration forms and additional information on the applicable transparency regulation can be found on the website of the FSMA

([www.fsma.be](http://www.fsma.be)). Each transparency declaration received by Telenet will be published on the corporate website of Telenet dedicated to investors as soon as possible, and at the latest four (4) trading days after receipt of the declaration (see website <https://investors.telenet.be>).

On the basis of the shareholders' register, the transparency declarations received, as well as the latest notifications received by shareholders as notified to the FSMA pursuant to Article 12 of the Royal Decree of 27 April 2007 on public takeover bids, if any, the shareholder structure is composed as indicated in the table available on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>). This table indicates the shareholder structure at a certain point in time. All capital movements and transparency declarations received and the amended shareholding structure are disclosed and updated on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>).

#### **2.4. Relationship with shareholders**

Telenet respects the rights of all shareholders and encourages their involvement. To this end, the Board ensures an equal announcement of occasional and periodic information through the different communication channels, and ensures that all necessary facilities and information are available to enable the shareholders to exercise their rights.

Information with respect to Telenet (including the Articles of Association, the Charter, and information with respect to participation in, and voting rights at, the general shareholders' meetings) can be consulted on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>).

Annual and semi-annual information with respect to the financial results of Telenet is announced in accordance with the applicable legislation, and quarterly information is published on a voluntary basis, in accordance with the applicable legislation. Publication takes place at predetermined points in time which can be consulted in the financial calendar made available on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>). The periodic information is announced on the same website and is simultaneously delivered to one or more press agencies, Euronext Brussels, the FSMA and to other channels, amongst which financial analysts, and institutional and private investors, who have requested to receive this information through the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>).

Information qualifying as inside information in accordance with the Market Abuse Framework (in particular EU Regulation No 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse) is disclosed to the public as soon as possible in order to avoid insider dealing and to ensure that investors are not misled. Such information is published on the website of Telenet and / or Euronext and through regulated press releases, and simultaneously provided to Euronext Brussels and the FSMA. However, the Market Abuse Framework accepts that in exceptional circumstances such disclosure may damage the legitimate interests of Telenet. In these cases, it is permissible under the Market Abuse Framework for disclosure to take place at a later date, provided that it is unlikely that delay will result in deception of the public and that Telenet can guarantee the confidentiality of the information. At the time of the deferred publication of the information qualifying as inside information, the FSMA is informed of the deferral decision in accordance with the Market Abuse Framework.

The Board further fosters a recurring and transparent dialogue with both existing shareholders and potential investors in order to gain better insight into their objectives and expectations. Shareholders and investors can communicate and discuss with Telenet via the Investors Relations Team (see for contact details the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>)). The Board also encourages shareholders, and in particular, institutional investors, to communicate their evaluation of Telenet's corporate governance prior to the general shareholders' meetings and at least through participation in the general shareholders' meeting.

Through its Investors Relations Team, Telenet has discussions with institutional investors on the implementation of their policy on the exercise of institutional investors' voting rights in the relevant financial year and asks institutional investors and their voting agencies to explain their voting behaviour.

The Investors Relations Team regularly, and at least semi-annually provides the Board with feedback on its dialogue with shareholders and potential investors.

## **2.5. Relationship with majority shareholder and shareholders' agreements**

The Board has consistently encouraged its majority shareholder to clearly express its strategic objectives in the Board meeting or to the Board in a timely manner. The Board has also consistently been attentive to ensure that the majority shareholder makes a considered use of its position and to take special care to prevent conflicts of interests and to respect the rights and interests of minority shareholders.

Following debate by the Board and on the basis of the current market practices in Belgium the Board is aware of, Telenet does not deem it necessary to date to enter into a relationship agreement with its majority shareholder. The reason is that this Charter, the Articles of Association, and Telenet's periodic disclosures fully regulate and detail the relationships that exist between Telenet and its majority shareholder and the rules and procedures that regulate any such relationships (the bulk and most important of Telenet's commercial relationships are with non-related third parties).

Telenet further has no knowledge of any agreements in place between its shareholders. The Board shall continue to debate the appropriateness of such relationship agreements.

## **2.6. General Meeting of Shareholders**

Telenet encourages shareholders to participate in the (annual) general shareholders' meetings at which the shareholders are directly informed by Telenet.

### **2.6.1. Time and place**

The annual general shareholders' meeting of Telenet is held at the registered offices or at any other place indicated in the convening notice. The meeting is held each year on the last Wednesday of April at 10:00 a.m. Belgian time (CEST).

In addition, the Board or the statutory auditor can convene at any time a special or extraordinary general shareholders' meeting, and are obliged to do so whenever one or more shareholders who individually or jointly represent one-tenth of the subscribed capital so requests.

### **2.6.2. Convocation**

The general shareholders' meeting is convened by the Board at least 30 days prior to the meeting or, if a second extraordinary meeting is required and if the date of the second extraordinary meeting has been mentioned in the convening notice for the first extraordinary meeting, at least 17 days prior to the second extraordinary meeting.

The convening notice is made and sent out in accordance with the Belgian Companies Code. It states at least the place, date and time of the meeting, the agenda, the reports and the resolution proposals for each agenda item that is submitted for a vote, and the procedure for participating in the meeting, granting proxy or voting by correspondence.

### **2.6.3. Right to participate in and right to vote at the general shareholders' meeting**

The holders of shares, subscription rights, profit certificates and convertible bonds (if any) of Telenet have the right to participate in the general shareholders' meetings in accordance with the provisions of the Belgian Companies Code.

The members of the Board and the statutory auditor are also convened to the general shareholders' meetings.

The provisions with respect to the rights of shareholders to participate in and vote at the general shareholders' meeting, as well as the calendar of general shareholders' meeting are announced on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>).

#### **2.6.4. Formalities to participate**

A shareholder may participate in the general shareholders' meeting and exercise voting rights only if the shareholder is registered as a shareholder on the registration date, either by registration of the shares in Telenet's register of registered shares, or in the accounts of a recognized acountholder or clearing institution. The registration date is midnight on the fourteenth day before the general shareholders' meeting (Belgian time). Following such registration, in accordance with the Belgian Companies Code, the shareholder can attend the general shareholders' meeting, irrespective of whether they still hold the shares on the day of the meeting itself.

Shareholders must further notify Telenet of their intention to attend the general shareholders' meeting no later than the sixth day prior to the general shareholders' meeting. For dematerialized shares, the shareholders will thereby need to provide Telenet with a certificate delivered by a recognized acountholder or clearing institution evidencing the number of dematerialized shares registered in the name of the shareholder on its accounts on the registration date which the shareholder has indicated that it wants to participate with in the general shareholders' meeting. Telenet also allows its shareholders to register electronically for general shareholders' meetings, in the manner set out in the convening notices to the general shareholders' meetings.

The Board draws up a register in which each shareholder that expressed his/her intention to participate at the general shareholders' meeting is listed. The register states the name and address or registered seat, the number of securities held on the registration date and a description of the supporting documents proving that such shareholder held these shares on the registration date.

#### **2.6.5. Representation and voting at distance**

Each shareholder has the right to attend the general shareholders' meeting and to vote in person. In order to encourage shareholders to participate in the general shareholders' meeting, each shareholder may also give a proxy to one single proxy holder, which should not be a shareholder. A proxy holder can hold proxies of multiple shareholders. The proxy provider and proxy holder must act in accordance with applicable law.

Telenet must receive the proxies on the sixth day before the date of the meeting at the latest. Each proxy must be in writing or via an electronic form and must be signed by the shareholder. The Board can request the shareholders to use a model power of attorney (with voting instructions), which must be received by Telenet at least six working days prior to the meeting. Such model power of attorney shall be made available on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>).

The Articles of Association also allow the shareholders to vote at distance before the general shareholders' meeting, in accordance with applicable law. To this end, a model voting letter is made available on the corporate website of Telenet dedicated to investors (<https://investors.telenet.be>).

The voting letter should contain (i) the identity of the shareholder; (ii) the number of shares by which he or she participates to the voting; (iii) the form of the shares; (iv) the entire agenda, including the proposed resolutions; (v) the voting intention of the shareholder (pro, contra or abstention) with respect to the items on the agenda, whether or not motivated and (vi) the time limit within which Telenet should receive the votes at distance. The voting letter should be received by Telenet at least six working days prior to the meeting in written.

#### **2.6.6. Course of the meeting**

##### *Chairman and office*

The general shareholders' meeting is chaired by the chairman of the Board (the **Chairman**) or, in his absence, by another director designated by the Board. The Chairman appoints a secretary, who does not need to be a shareholder. The general shareholders' meeting appoints one or more tellers by simple majority. The Chairman, the secretary and the teller(s) constitute together the office.

The meeting takes place in accordance with the applicable statutory or legal provisions and, additionally, the generally accepted rules with respect to deliberating bodies.

### *Questions*

Each shareholder has the right to ask questions to the directors or the statutory auditor of Telenet relating to items on the agenda of the special and/or extraordinary general shareholders' meeting, provided that he/she has complied with the admission conditions as set out above.

Questions can be asked during the meeting or can be submitted in writing prior to the meeting. Written questions should be received by Telenet at least six working days prior to the meeting in written. The Chairman takes the necessary measures to ensure that any relevant questions from shareholders are adequately answered.

### *Voting*

Each share gives right to one vote.

Subject to more stringent requirements of the Belgian Companies Code, resolutions of the general shareholders' meeting are passed by simple majority of votes irrespective the number of shares present or represented. Abstentions or blank votes and invalid votes are ignored when calculating the majority, both in the numerator and in the denominator. In the event of tied votes, the proposal is rejected.

Extraordinary general shareholders' meetings are held before a civil-law notary who draws up an authentic official record of it. The extraordinary general shareholders' meeting can validly deliberate and vote on amending the Articles of Association only if the persons participating in the meeting represent at least half of the capital. If the above-mentioned quorum is not met, a new meeting must be convened in accordance with applicable law. The second meeting deliberates and votes validly, irrespective of the proportion of the capital that is present or represented.

An amendment to the Articles of Association is accepted only if it has obtained at least three-quarters of the votes attached to the shares that are present or represented (or any other special greater or lesser majority prescribed by applicable company law is met). Abstentions or blank votes and invalid votes are ignored when calculating the majority, both in the numerator and in the denominator. An amendment to Telenet's corporate object is accepted only if it has obtained at least 80% of the votes cast.

The Articles of Association further state that Telenet may not sell or cannot grant clearance to sell the shares of Telenet Vlaanderen NV, issue shares to third parties in Telenet Vlaanderen NV or allow the issuance thereof to third parties, without the approval of Interkabel Vlaanderen CVBA as long as the latter holds at least one share in Telenet and as long as Telenet Vlaanderen NV has usage rights on the cable network (as defined in the Interkabel Contribution Deed of September 23, 1996, according to which Interkabel Vlaanderen CVBA has transferred usage rights to Telenet Vlaanderen NV). The above does not exclude a pledge on such shares for the purposes of financing the activities of the Telenet Group, without prejudice to the prohibition to pledge the shares of Telenet Vlaanderen NV.

### *Minutes*

Minutes are drawn up of each general shareholders' meeting, to which the attendance list, reports (if any), powers of attorney and/or votes per letter are attached. The minutes are signed by the members of the office and the shareholders, who request so, and are subsequently kept at the registered office of Telenet.

Shareholders who request so, can obtain a copy or an excerpt which shall be signed either by two directors, or by the Chairman and the Company Secretary. As soon as possible, and at the latest within 15

days after the general shareholders' meeting, the minutes are made available on the website of Telenet dedicated to investors (<https://investors.telenet.be>).

### **3. PART III: Board of Directors**

#### **3.1. Role**

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

#### **3.2. Powers and Responsibilities**

As explained above, Telenet has opted for a "one-tier" governance structure. As a result, the Board is authorised to perform all actions which are necessary or useful for fulfilling the corporate purpose of Telenet, except for those matters which are expressly reserved to the general shareholders' meeting by law, or as specified in the Articles of Association.

In particular, the Board represents Telenet and executes the responsibilities entrusted to it by law including, but not limited to, with respect to the budget, important commercial contracts, co-operations and acquisitions, accounting rules, approval of the periodic financial reporting, financing, issuing proposals to the general shareholders' meeting, and external communication to shareholders and other stakeholders.

The Board further has, among others, the following exclusive powers and responsibilities:

##### Strategy

Decide on and regularly review Telenet's medium and long-term strategy based on proposals developed by the Senior Leadership Team.

Approve the operational plans and main policies developed by the Senior Leadership Team in order to give effect to Telenet's approved strategy.

Determine the risk appetite of Telenet in order to achieve its strategic objectives.

Ensure that Telenet's culture and values are supportive of the realisation of its strategy and that they promote corporate social responsibility, ethical behaviour, and diversity in general.

##### Leadership

Determine the structure, composition and organization of the Senior Leadership Team.

Determine the powers and duties entrusted to the Senior Leadership Team and develop a clear delegation policy, in close consultation with the CEO.

Appoint and dismiss the CEO and the other members of the Senior Leadership Team in consultation with the CEO, in each case upon advice of the remuneration & nomination Committee and taking into account the need for a balanced Senior Leadership Team.

Determine the remuneration policy for non-executive Board members and members of the Senior Leadership Team, upon advice of the remuneration & nomination Committee and taking into account the overall remuneration framework of Telenet.



Ensure that a succession plan is in place for the CEO and other members of the Senior Leadership Team, and periodically perform a review hereof.

Review the Senior Leadership Team's performance and the realisation of Telenet's strategic objectives annually against agreed performance measures and targets.

Issue proposals to the general shareholders' meeting for the appointment or re-appointment of Board members and ensure that a succession planning is in place.

### Monitoring

Evaluate and supervise the performances and results of Telenet.

Monitor and review the effectiveness of the Committees of the Board.

Identify and manage the risks with respect to Telenet and its activities, amongst others by approving the framework of internal control and risk management proposed by the Senior Leadership Team and reviewing the implementation of this framework, taking into account the review and recommendations made by the Audit and Risk Committee.

Supervise the activities of the statutory auditor and the internal audit function, taking into account the review performed by the Audit and Risk Committee.

Take all necessary measures to ensure the integrity and timely disclosure of Telenet's financial statements and other material financial and non-financial information to (potential) shareholders and other stakeholders in accordance with applicable law.

Ensure that Telenet presents an integrated view of Telenet's performance in its annual report and that it contains sufficient information on issues of societal concern and the relevant environmental and social indicators.

Review and supervise the personnel policy, taking into account the recommendations made by the Remuneration and Nomination Committee.

Ensure that there is a process in place for monitoring Telenet's compliance with laws and other regulations, including the Market Abuse Framework, as well as for the application of internal guidelines relating thereto.

Monitor, and ensure that there is process in place for any, relationships with Telenet's majority shareholder.

The Board has established and reviews, updates and monitors compliance with the Telenet Code of Conduct at least on an annual basis. The Telenet Code of Conduct sets out how Telenet's leadership and employees work and interact with their colleagues, customers, business partners and the wider stakeholder network, including in terms of responsible and ethical behaviour. The Telenet Code of Conduct forms the basis of a strong corporate culture that adheres to the highest standards of respect, integrity and ethical conduct. It sets out a number of clear principles and core values to help employees perform their work to the best of their ability. Telenet takes the Telenet Code of Conduct seriously and expects its employees to know the Telenet Code of Conduct, embrace the principles and share the values set out therein.

Telenet is validly represented by the Board as a college or by two directors, acting jointly. With respect to matters relating to the daily management, Telenet is validly represented by the persons charged with the daily management, i.e. the CEO. Telenet can finally be represented by special proxy holders, within the limits of the power of attorney granted to them.

Individual directors may, at the expense of Telenet, obtain independent professional advice whenever they deem it necessary for the good execution of their mandate as director, and after having informed the Chairman.

### **3.3. Composition of the Board**

#### Composition

The Board is appointed by the general shareholders' meeting. It consists of maximum 17 members. On the date of this Charter, it consists of 9 members and all directors are non-executives, except for the CEO who is appointed as an executive director. There are currently three independent directors according to the criteria described in the Code.

The composition of the Board is determined to gather sufficient expertise in Telenet's areas of activity and ensures sufficient diversity of skills, background, age and gender, thereby ensuring compliance with, amongst others, Article 7:86 of the Belgian Companies Code. The Board composition further takes into account Telenet's purpose, its operations, phase of development, structure of ownership and other specifics. It is small enough for efficient decision-making, while also large enough for its Board members to contribute experience and knowledge from their different fields and for changes to the Board's composition to be managed without undue disruption.

#### Appointment

The Remuneration and Nomination Committee leads the nomination process and recommends suitable candidates to the Board. The appointment and renewal of the directors is based on a recommendation by the Board, after advice of the Remuneration and Nomination Committee. Such also applies to proposals for appointments originating from shareholders. The capabilities, knowledge, experience and gender diversity already present and required on the Board are hereby taken into account, and, in light of that evaluation, a description of the role and skills, knowledge and experience required is prepared in order to achieve an as large as possible diversity and complementarity within the Board.

Prior to making their recommendation, the Chairman ensures that the Board dispose of sufficient information on the candidate, such as the candidate's curriculum vitae, an assessment of the candidate based on the candidate's initial interview, a list of the positions currently held by the candidate, and, if applicable, the necessary information about the candidate's independence.

Insofar as the Board considers nominating or maintaining a former CEO of Telenet as Board member, the Board shall further ensure that the necessary safeguards are put place so that the new CEO will have the required autonomy. If the Board also envisages to appoint such former CEO as chairman of the Board, it shall carefully consider the positive and negative implications of such an appointment and motivate in the Corporate Governance Statement why this will not hamper the required autonomy of the CEO.

Non-executive Board members are made aware of the extent of their duties at the time of their selection, in particular, as to the time commitment involved in carrying out those duties, also taking into account the number and importance of their other commitments.

Any proposal specifies the proposed term of the mandate, which shall not exceed four years. It includes relevant information on the candidate's professional qualifications together with a list of the positions the candidate already holds. The Board indicates which candidates satisfy the independence criteria as set out in the Code.

Taking into account the recommendation of the Board, after advice of the Remuneration and Nomination Committee and subject to compliance with the rules of nomination as set out in the Articles of Association, the directors are elected by the majority of the votes present or represented at the general shareholders' meeting. Each proposed appointment or reappointment is voted on separately.

In accordance with the Articles of Association and the Belgian Companies Code, a shareholder or specific shareholder group, which holds shares that represent at least half of the capital, will have the right to nominate candidates for at least a majority of the members of the Board.

Upon initiative of the Chairman, a newly appointed director shall receive an appropriate initial education to acquire an insight in Telenet and specifically in its management, strategy, values, policy guidelines, activities, business challenges, finance, risk management and internal control systems as well as an update on the legal and regulatory environment, to ensure their capacity to swiftly contribute to the Board. Directors who become member of a committee of the Board shall further be familiarized with the tasks, competences and the functioning of the relevant committee. For new Audit and Risk Committee members, the Chairman shall also provide the Audit and Risk Committee's terms of reference and an overview of Telenet's internal control organization and risk management systems, as well full information on Telenet's specific operational, financial, accounting and auditing features. The introduction also includes an introductory meeting with the auditor and the relevant staff.

### Independence

At any time, there should be at least three independent directors who fulfil the criteria as set forth in article 7:87 of the Belgian Companies Code. Consequently, independence will be assessed taking into consideration the criteria of the Code which are as follows:

Not be an executive, or exercising a function as a person entrusted with the daily management of Telenet or a related company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of Telenet related to this position;

Not have served for a total term of more than twelve years as a non-executive Board member;

Not be an employee of the senior management (as defined in article 19, 2° of the law of 20 September 1948 regarding the organisation of the business industry) of Telenet or a related company or person, and not have been in such a position for the previous three years before their appointment. Alternatively, no longer enjoying stock options of Telenet related to this position;

Not be receiving, or having received during their mandate or for a period of three years prior to their appointment, any significant remuneration or any other significant advantage of a patrimonial nature from Telenet or a related company or person, apart from any fee they receive or have received as a non-executive Board member;

Not hold shares, either directly or indirectly, either alone or in concert, representing globally one tenth or more of Telenet's capital or one tenth or more of the voting rights in Telenet at the moment of appointment. Not having been nominated, in any circumstances, by a shareholder fulfilling the conditions covered above.

Not maintain, nor have maintained in the past year before their appointment, a significant business relationship with Telenet or a related company or person, either directly or as partner, shareholder, Board member, member of the senior management (as defined in article 19, 2° of the law of 20 September 1948 regarding the organisation of the business industry) of a company or person who maintains such a relationship;

Not be or have been within the last three years before their appointment, a partner or member of the audit team of Telenet or person who is, or has been within the last three years before their appointment, the external auditor of Telenet or a related company or person;

Not be an executive of another company in which an executive of Telenet is a non-executive Board member, and not have other significant links with executive Board members of Telenet through involvement in other companies or bodies;

Not have, in Telenet or a related company or person, a spouse, legal partner or close family member to the second degree, exercising a function as Board member or executive or person entrusted with the daily management or employee of the senior management (as defined in article 19, 2° of the law of 20 September 1948 regarding the organisation of the business industry), or falling in one of the other cases referred to in a. to h. above, and as far as point b. is concerned, up to three years after the date on which the relevant relative has terminated their last term.

Should the Board present for appointment as independent director a candidate who does not meet the criteria above, it will explain the reasons why it considers that such candidate is independent, in accordance with article 7:87 of the Belgian Companies Code.

In addition, the Articles of Association provide additional criteria for the evaluation of the independent character of a director, which amongst other things imply the independence criteria as set forth in the Code:

The candidate should, in the opinion of the Board, be a person of high repute with experience as a director in companies other than small companies, as defined in article 1:24 of the Belgian Companies Code;

The candidate should not be an employee or director of a competitor, in the opinion of the Board.

In accordance with the Articles of Association, the independent directors are elected among the candidates nominated by the majority of the members of the Board, after advice of the Remuneration and Nomination committee.

In the selection process of the independent directors, sufficient attention will be given to the fact that the independent directors as a group are sufficiently familiar with, and have knowledge of, the Belgian context in which Telenet operates.

Each independent director who would no longer comply with the criteria of independence, immediately informs the Board hereof.

### Term

As a general principle, the directors are appointed by the general shareholders' meeting for a period of maximum four years. Their mandate expires after the closing of the fourth annual shareholders' meeting following the date of their appointment, unless the shareholders' meeting sets a shorter term. The directors are eligible for re-appointment.

For the duration of their mandate, Board members undertake to uphold the highest standards of integrity and probity, to permanently improve their skills and knowledge of Telenet, and Telenet makes the necessary resources available for that purpose. In addition, Board members undertake to allocate sufficient time to exercise their duties, taking into consideration the number and importance of their other commitments. In respect thereof, directors cannot exercise more than five directors' mandates in listed companies. Directors are required to inform the Chairman in due time about possible other relevant engagements outside Telenet and the developments thereof.

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

The general shareholders' meeting can dismiss directors at any time.

Generally, the Board ensures that processes are in place for the orderly and timely succession of Board members and monitors that any appointment and re-appointment allows an appropriate balance of skills, knowledge, experience and diversity to be maintained on the Board and its Committees.

### Vacancy

When a position on the Board becomes vacant, the remaining directors may temporarily fill the vacancy, subject to compliance with the rules of nomination as set out in the Articles of Association. At the next following 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.

### Observers and advisors

At the Chairman or CEO's request, any member of the Senior Leadership Team or senior management may be invited to attend the whole or any part of a Board meeting. For matters concerning financial information or administrative organisation, the Chairman or CEO may call upon the internal organisation (including the internal auditor) and/or statutory auditor of Telenet.

The Articles of Association further provide, in certain circumstances, in the possibility to designate observers and permanent advisors within the Board. Mr André Sarens serves as an observer for the mixed intercommunales in the Board.

### Chairman

An important function within the Board is reserved to the Chairman, who leads the Board, takes measures to build up a climate of trust, contributing to open discussion and constructive challenge and supervises the good and efficient functioning of the Board. The Chairman further ensures that there is sufficient time for consideration and discussion before decision-making. Once decisions are taken, all Board members support the execution thereof.

The Chairman is elected amongst the non-executive members of the Board based on his knowledge, skills, experience professionalism, independence of mind, coaching capabilities, ability to build consensus, and communication and meeting management skills, in order to ensure a clear division of responsibilities between the person presiding over the Board and the person assuming executive responsibility for running Telenet's business (the CEO). Therefore, the CEO can never be appointed as Chairman. In case of even number of directors, the Chairman does not have a casting vote.

The Chairman is responsible for determining the calendar and the agenda of the Board meetings, in consultation with the CEO and the Company Secretary. He further sees to it that the procedures relating to preparatory work, deliberations, the passing of resolutions and the implementation of decisions are properly followed. The Chairman, assisted by the Company Secretary, hereby ensures that Board members are provided with accurate, concise, timely and clear information before the meetings and, where necessary, between meetings so that they can make a knowledgeable and informed contribution to the Board discussions. All Board members receive the same Board information.

The Chairman further leads the Board meetings, engenders a climate of trust, allowing for open discussions and constructive challenge, and ensures that there is sufficient time for consideration and discussion before decision-making.

The chairman establishes a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO. The Chairman ensures effective interaction between the Board and the Senior Leadership Team.

The Chairman ensures effective communication with shareholders, and ensures that Board members develop and maintain an understanding of the views of the shareholders and other significant stakeholders.

In the absence of the Chairman, or on matters where the Chairman has a conflict of interest, the Board shall at the start of the relevant Board meeting appoint one of the remaining independent directors as interim-chairman for the duration of such Board meeting.

Mr. Bert De Graeve, permanent representative of IDw Consult BV, independent director, acts as Chairman of the Board.

### Company Secretary

The Board appoints a Company Secretary, who supports the Board, its Committees, their respective chairmen and the individual directors in providing information and advice with respect to all governance matters, and the compliance with the law, the Articles of Association and internal rules and procedures. The Company Secretary further ensures:

the organization of the Board meetings and Committee meetings;

the preparation of the Corporate Governance Charter and Corporate Governance Statement;

a good information flow within the Board and its Committees and between the Senior Leadership Team and non-executive Board members;

that the essence of the discussions and decisions at Board meetings are accurately captured in the minutes;

the induction and assistance with professional development as required; and

regular reporting to the Board, under the direction of the Chairman, on how Board procedures, rules and regulations are being followed and complied with.

Individual Board members have access to the Company Secretary.

The Board oversees that the person appointed as the Company Secretary has the necessary skills and knowledge of corporate governance matters and can dismiss the Company Secretary at any time. Mr. Bart van Sprundel, Legal Director Corporate of Telenet, acts as secretary of the Board and its Committees.

## **3.4. Functioning**

### Schedule and agenda of the Board

The Board meets as frequently as the interests of Telenet require, sufficiently regularly to perform its duties effectively and at least 4 times a year. Over the past years, Board meetings took place on average around 8 times a year. To the extent possible and except for those matters for which ad hoc meetings of the Board are required, the meeting times are set in advance for the entire year to minimise absences. The Board is convened by the Chairman (or by the Company Secretary on behalf of the Chairman) or, in absence of the Chairman, by another director. Two directors can request the Chairman to convene the meeting, after which a meeting shall be convened within two weeks after receipt of the request.

The convening notice contains the agenda and shall be sent to all directors not later than 8 calendar days prior to the date of the meeting. In case of urgency, such term shall be reduced as necessary in accordance with the Articles of Association. The agenda specifies which topics are for information, for deliberation or for decision-making purposes. The topics on the agenda are thoroughly prepared and documented so that all directors have the same information in good time. These documents are provided to every member of the Board, so that each of them can prepare accordingly.

Meetings take place at Telenet's registered offices or at any other place indicated in the convening notice. Where necessary and appropriate, the Board can meet using video, telephone or internet-based means whereby all persons participating in the meeting can communicate with each other.

Decisions of the Board may be adopted by unanimous written consent of the directors. However, this procedure may not be used for those matters excluded to be adopted by written resolutions, as set out in the Articles of Association.

### Deliberation and quorum

The Board can only deliberate and resolve on items included in the agenda, but directors have the power to raise any question which they consider appropriate concerning Telenet and its operations. The Board can also validly deliberate and resolve on items not included in the agenda if all members of the Board are present or represented and have agreed thereto. This consent is deemed to have been given when no objection was recorded in the minutes.

The Board can only validly deliberate and resolve if at least half of the members are present or represented at the meeting. If this last condition is not fulfilled, a new meeting shall be convened which can validly deliberate and resolve on the items included in the agenda of the previous meeting, to the extent that at least two directors are present or represented.

Each director may instruct one of his colleague Board members by simple letter, e-mail, or any other means of communication that produces a printed document, to represent him/her at a specified meeting of the Board and to vote in his/her name and on his/her behalf. In these circumstances a director giving such instructions is considered as being present. A director can represent several fellow members of the Board.

The Board functions as a collegial body and the Board ensures that no individual or group of Board members dominates the Board's decision-making. The resolutions of the Board are in principle approved by simple majority of the directors present or represented. If the vote is tied, the proposal is rejected. The Articles of Association further provide for special majorities for decisions relating to the transfer of assets or shares of Telenet Vlaanderen NV, or the split up, merger or equivalent transaction relating to Telenet Vlaanderen NV, as well as in relation to the Public Interest Guarantees. Once decisions are taken, all Board members should be supportive of their execution.

Non-executive Board members meet at least once a year in the absence of the CEO (and the other Senior Leadership Team members).

### Minutes

The minutes of the meeting are prepared by the Company Secretary and accurately set out the essence of the discussions and decisions taken at the Board meetings by summarizing the discussions, specifying the decisions taken and noting diverging views expressed by Board members, if any. The names of the interveners are only recorded if specifically requested by them. The draft of the meeting minutes is sent to all members of the Board of Directors for preliminary comments and approval, preferably ahead of the next Board meeting. The minutes, once approved by the Board, are signed by the Chairman and the Company Secretary, or by two directors. Any director who so requests may also sign the minutes.

### **3.5. Confidentiality**

Directors and observers must treat the confidential information that they have received in their capacity as director or observer with the utmost care and may not, during the exercise of their professional activities for Telenet and after the termination of said activities, other than for the exercise of their mandate, use or disclose any information which is not published in periodic information or in various official communications, nor information about Telenet which they have learned during the performance of their duties. Reference is also made in this respect to the Telenet Dealing Code as approved by the Board of Directors on 14 February 2017, and last amended on 13 December 2017 in accordance with the Market Abuse Framework (the "**Dealing Code**").

### **3.6. Evaluation**

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

the size, composition and functioning of the Board 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; and  
the application of the corporate governance rules within Telenet and its bodies.

This assessment can be done internally or with the assistance of external advisors within the framework and methodology set by the Board.

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

The non-executive directors make once a year an evaluation of their interaction with the Senior Leadership Team, whereby they meet in the absence of the executive directors and the management of Telenet.

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

### **3.7. Remuneration of directors**

#### **3.7.1. Non-executive directors**

The Board has, upon the advice of the Remuneration and Nomination Committee, adopted a remuneration policy for its directors consistent with the overall remuneration framework of Telenet. This remuneration policy is designed to achieve the following objectives:

attract, reward and retain the necessary talent;

promote the achievement of strategic objectives in accordance with Telenet's risk appetite and behavioural norms; and

promote sustainable value creation.

The last update to the remuneration policy was approved by the general shareholders' meeting held on 26 April 2017, and reconfirmed during individual appointments of directors thereafter. If at any point in the future, a significant proportion of the votes have been cast against the remuneration policy, Telenet shall take the necessary steps to address the concerns of those voting against it, and consider adapting its remuneration policy.

In particular, all non-executive directors receive an annual fixed remuneration, increased with attendance fees per attended meeting of the Board. The Chairman receives an annual fixed remuneration of € 120,000. All directors, with the exception of the CEO, the Chairman and the directors appointed on the recommendation of the Liberty Global Group, receive an annual fixed remuneration of € 45,000 each. The directors appointed on the recommendation of the Liberty Global Group receive an annual fixed remuneration of € 12,000 each. For every meeting of the Board attended by the Board members, they receive attendance fees for an amount of € 2,000. The attendance fees received by the independent directors is € 3,500, but with a maximum of € 24,500 per year. Finally, products of Telenet can be offered free of charge to the directors to allow them to become familiar with the Telenet products. Non-executive directors do not receive any performance-related remuneration, that is directly related to the results of Telenet.



The annual fixed remuneration is only due if the director attends at least half of the scheduled meetings of the Board. The independent directors further receive additional compensation for the meetings of the Committees. The observer at the Board is remunerated in the same way as the independent directors.

Upon recommendation of the Remuneration- and Nomination Committee, the Board unanimously decided not to grant performance-related remuneration, shares or other securities issued by Telenet, nor options, bonuses, fees, benefits in kind or pension plan benefits to any non-executive director.

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

Finally, Telenet prepares an annual remuneration report. In this remuneration report, the remunerations granted to the directors are stated on an individual basis.

### **3.7.2. Executive directors**

Executive directors do not receive a directors' remuneration insofar as they receive remuneration as member of the Senior Leadership Team. Telenet currently has one executive director, being the CEO. See in this respect also title 5.5 (*Remuneration of the Senior Leadership Team*).

## **3.8. Integrity and conflicts of interest**

### **3.8.1. Integrity and independence of mind**

The directors engage actively in their duties and make their own sound, objective and independent judgements when discharging their responsibilities. The directors hereby develop a personal conviction and act accordingly by assessing and challenging the views of other Board members, by interrogating the Senior Leadership Team when appropriate in the light of the issues and risks involved, and by being able to resist group pressure.

To this end, Board members receive detailed and accurate information and are required to dedicate sufficient time studying it carefully so as to acquire and maintain a clear understanding of the key issues relevant to Telenet's business. Board members can seek further clarification whenever they deem it necessary.

Board members are further requested to communicate to the Board any information in their possession that could be relevant to the Board's decision-making. In the case of sensitive or confidential information, Board members are expected to consult the Chairman.

### **3.8.2. Conflicts of interest**

The directors have a duty to place Telenet's interests above their own. When the Board takes a decision, the directors shall disregard their potential personal interests and refrain from using business opportunities intended for Telenet for their own benefit.

Board members are required to inform the Board of any conflict of interests that could in their opinion affect their capacity of judgement. In particular, at the beginning of each Board or Committee meeting, the Board members declare whether they have any conflict of interests regarding the items on the agenda.

Each Board member is in particular attentive to conflicts of interests that may arise between Telenet, its Board members, its significant or majority shareholder(s) and other shareholders. The Board members who are proposed by significant or majority shareholder(s) ensure that the interests and intentions of these shareholder(s) are sufficiently clear and communicated to the Board in a timely manner.

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

The Board members further look after the interests of all shareholders on an equivalent basis and are required to act according to the principles of reasonableness and fairness. Considering that the majority of Telenet shares are held by the Liberty Global Group, the Board shall take special care to prevent conflicts of interests and to respect the rights and interests of minority shareholders. Any proposed transactions and arrangements with the Liberty Global Group are first reported to the Audit and Risk Committee, which does a first assessment of the proposed transaction, and following such assessment, whether such transactions or arrangements fall within the scope of article 7:97 of the Belgian Companies Code. If this is the case, such proposed related party transaction or arrangement is submitted to a committee of three independent directors in accordance with article 7:97. Such proposed related party transaction or arrangement with the Liberty Global Group shall only be entered into after (i) receipt of an opinion by the committee of independent directors provided in article 7:97 of the Belgian Companies Code and (ii) review and approval by the Board of the proposed transaction, considering the opinion by the independent directors.

## **4. PART IV: Committees of the Board**

### **4.1. General**

#### **4.1.1. Role and competence**

The Board is assisted by two permanent committees: (i) Audit and Risk Committee and (ii) a Remuneration and Nomination Committee (together the **Committees**, and each a **Committee**). In addition, the Board can, on an *ad hoc* basis set up specialised committees in order to advise the Board in respect of decisions to be taken, to give comfort to the Board that certain issues have been adequately addressed and, if necessary, to bring specific issues to the attention of the Board.

The existence of the Committees does not decrease the responsibility of the Board as a whole and the Committees do not have the power to take binding decisions, as decision-making remains the collegial responsibility of the Board, nor shall the Committees formulate Telenet's strategy.

Following each Committee meeting, the Chairman of the respective Committee provides feedback on the Committee meeting at the next Board meeting. The Board further receives a written report on each Committee's findings and recommendations. The directors can submit any comments or questions to the chairman of the specific Committee.

#### **4.1.2. Composition**

The Board appoints at least three directors to each Committee and ensures that a chairman is appointed for each Committee. Except if he/she is a duly appointed member of the relevant Committee and except in cases where there is a conflict of interest, the Chairman of the Board can also attend the meetings of each Committee with an advisory vote.

The directors are appointed to the Committees in function of the specific tasks of each Committee, taking into account the necessary independence, skills, knowledge, experience and capacity of the directors to execute their duties effectively. The Board hereby ensures that each committee, as a whole, has a balanced composition.

Each committee is entitled to meet with any relevant person without any member of the Senior Leadership Team being present, and members of the Senior Leadership Team and senior management may be invited to attend Committee meetings in order to provide relevant information and insights into their areas of responsibility. Each Committee further has the possibility to obtain independent professional advice at the expense of Telenet and after having informed the Chairman of the Board hereof.

## **4.2. The Audit and Risk Committee**

### **4.2.1. Tasks and responsibilities**

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

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

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

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

identification, monitoring and reviewing potential related party transactions, and ensuring compliance with Article 7:97 Belgian Companies Code, as applicable.

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

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

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

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

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

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

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

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

#### **4.2.2. Composition**

The Audit and Risk Committee is composed of members of the Board who are not charged with an operational responsibility within the Telenet Group (non-executive directors) and counts at least one member who is an independent director. The members of the Committee have a collective expertise in the activities of Telenet and at least one member of the Committee has the necessary expertise in the field of accounting and auditing.

The Committee is chaired by a chairman, appointed by the Committee. Mr. Jo Van Biesbroeck, permanent representative of JoVB BV, independent director, acts as chairman of the Audit and Risk Committee.

#### **4.2.3. Functioning**

The Audit and Risk Committee meets sufficiently regularly to execute its duties effectively and at least four times a year. Where necessary and appropriate, the Committee meetings can also take place using video, telephone or internet-based means.

An independent audit function is established with resources and skills adapted to Telenet's nature, size and complexity. In principle, the Audit and Risk Committee meets each quarter with the statutory auditor and the head of internal audit to review and discuss the financials and the audit process of the past quarter. Matters relating to the audit plan and any issues arising from the audit process are placed on the agenda of every Audit and Risk Committee meeting and are discussed specifically with the external and internal auditors at least once a year.

At least once a year, the Audit and Risk Committee meets with the external auditor without the presence of the Senior Leadership Team. The Audit and Risk Committee is the most important point of contact for the external auditor and the head of the internal audit function, and both therefore have direct and unrestricted access to the chairman of the Audit and Risk Committee and the Chairman.

The Company Secretary also acts as secretary of the Audit and Risk Committee. The Company Secretary coordinates the drafting of the minutes of each Committee meeting. The agenda of the Committee meeting and the relevant documents are delivered to the members of the Committee prior to the meeting.

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

### **4.3. The Remuneration and Nomination Committee**

#### **4.3.1. Role and competence**

The Remuneration and Nomination Committee assists, reviews and makes proposals to the Board in relation to the following matters:

##### *With respect to remuneration*

the remuneration policy for non-executive directors (and the resulting proposals to be presented by the Board to the shareholders, as applicable);

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

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

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

##### *With respect to nomination*

the periodical evaluation of the size and composition of the Board and making relevant recommendations to the Board with respect to changes thereto;

the (re-)appointment of Board members and the preparation of plans for the orderly succession of Board members, as well as leading the (re-)appointment process of Board members, including through (i) scouting for potential directors and submitting their applications to the Board, (ii) elaborating an objective and professional (re)appointment procedure for directors, (iii) making recommendations with respect to

candidate-directors, and (iv) submitting the resulting proposals to be presented by the Board to the shareholders, as applicable;

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

the recruitment and retention policies.

Furthermore, the Remuneration and Nomination committee prepares the remuneration report, to be included in the Corporate Governance Statement, for review and approval by the Board and presents this remuneration report to the annual general shareholders' meeting.

#### **4.3.2. Composition**

The Remuneration and Nomination Committee is exclusively composed of members of the Board who have not been charged with an operational responsibility within the Telenet Group (non-executive directors). The majority of its members are independent directors. The members of the Committee have the necessary expertise with respect to remuneration policy.

The Remuneration and Nomination committee acts on behalf of each of the companies within the Group.

The Remuneration and Nomination Committee is either chaired by the Chairman or another non-executive director. Mr. Bert De Graeve, permanent representative of IDw Consult BV, independent director, acts as chairman of the Remuneration and Nomination Committee.

#### **4.3.3. Functioning**

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

The Company Secretary also acts as secretary of the Remuneration and Nomination Committee. The Company Secretary coordinates the drafting of the minutes of each meeting. The agenda of the meeting and the relevant documents are delivered to the members of the Committee prior to the meeting.

#### **4.4. Regulatory Board**

The Regulatory Board was specifically designed to supervise the compliance by Telenet with the General Interest Guarantees (as defined in the Articles) and is not a committee of the Board. The Regulatory Board no longer meets on a regular basis but can be organized when the Articles so provide. The holders of the Golden Shares have the right to elect one observer in the board of directors, as long as the Golden Shares are outstanding.

## Part V: Executive management

### **4.5. Chief Executive Officer (CEO)**

#### **4.5.1. Appointment**

The CEO is appointed by the Board, which also determines his tasks and competences, upon advice of the Remuneration & Nomination Committee. The CEO is appointed as the managing director of the Group.

#### **4.5.2. Role and Responsibilities**

The CEO reports directly to the Board and is entrusted by the Board with the day-to-day-management of the Group in order to achieve the corporate purpose and the mission of the Telenet Group. In particular, the CEO is responsible for:

the daily management of the Group;

executing the decisions of the Board;

analysing and formulating the strategic goals and options and submitting these to the Board;

determining the composition, competences and responsibilities of the Senior Leadership Team, in consultation with the Remuneration and Nomination Committee;

chairing, organizing and leading the Senior Leadership Team;

giving support, direction and guidance to the members of the Senior Leadership Team in the exercise of their individual responsibilities determined by the CEO; evaluating their individual performances, in consultation with the Remuneration and Nomination Committee, and making proposals with respect to their remuneration;

giving account to the Board with respect to the functioning of the Senior Leadership Team;

propagating the Telenet mission, vision and values;

representing Telenet towards its, clients, the financial community, the government and the public, in general.

Telenet is represented with respect to the daily management by the CEO. If necessary, Telenet can also be represented by special proxy holders within the limits of the power of attorney granted to them.

### **4.6. Senior Leadership Team**

#### **4.6.1. Composition**

The CEO is assisted in his tasks by the Senior Leadership Team, of which the CEO is a member. The CEO appoints, in consultation with the Remuneration and Nomination Committee, the members of the Senior Leadership Team, based on the framework approved by the Board.

#### **4.6.2. Role and Responsibilities**

The Board has determined the powers and duties entrusted to the Senior Leadership Team and has developed a clear delegation policy, in consultation with the CEO. This delegation policy is regularly updated and published in the Annexes to the Belgian State Gazette. Without prejudice to the supervisory and monitoring role of the Board, the Senior Leadership Team is responsible for supporting the CEO with:

the daily management of Telenet and the execution of the decisions of the Board;

leading and organising the ongoing business of the Group;

steering the management;

making proposals to the Board concerning Telenet's strategy and implementing such strategy in accordance with Telenet's risk appetite;

reporting on the resolutions and key decisions taken within the Senior Leadership Team;

presenting to the Board complete, timely, reliable and accurate Telenet financial statements, in accordance with the applicable accounting standards and policies of the Telenet Group;

preparing Telenet's required disclosure of the financial statements and other material financial and non-financial information;

presenting the Board with a balanced and understandable assessment of Telenet's financial situation;

ensuring the performance of Telenet and the Telenet Group as a whole in line with the approved strategic goals, plans and budgets of Telenet;

developing and implementing policies in relation to financial management, risk management, codes of conduct and submitting these for approval to the Board;

implementing internal audits, notably systems to identify, evaluate, manage and follow up on the financial and other risks;

ensuring the compliance with the legal and regulatory provisions and policies and goals of Telenet; and

providing the Board with all information necessary in a timely fashion for the Board to carry out its duties.

The Senior Leadership Team is responsible and accountable to the Board for the discharge of its responsibilities as set out above.

#### **4.7. Relationship with the Board**

The Chairman has a close relationship with the CEO, providing support and advice, while fully respecting the executive responsibilities of the CEO. On an occasional basis and when necessary, interactions between Board members and members of the Senior Leadership Team may also take place. The Chairman is aware of such contacts which take place in full transparency.

Clear and actionable procedures are in place such that the Senior Leadership Team can exercise its functions and powers effectively and report to the Board. The Senior Leadership Team is further empowered to implement the approved strategy in accordance with Telenet's risk appetite.

Members of the Board do not intervene directly in the operations of Telenet and do not give instructions to, or interfere with the activities of the Telenet's management and employees. By exception to this principle, members of the Audit and Risk Committee shall at all times have full and free access to the CFO, members of senior management, and any other officers or employees to whom they may require access in order to carry out their responsibilities.

#### **4.8. Evaluation**

The functioning and performance of the CEO and the Senior Leadership Team are evaluated on an annual basis by the Board, acting upon advice of the Remuneration and Nomination Committee. If necessary, the Board can take appropriate measures to improve such functioning and performance.

The Senior Leadership Team further also conducts an annual evaluation to evaluate its own operations, powers and responsibilities. The Chairman discusses the results of this evaluation within the Board, which can take appropriate measures, if necessary. The Senior Leadership Team will also act on the results of the evaluation by recognising its strengths and addressing its weaknesses.

#### **4.9. Remuneration**

The remuneration policy for the Senior Leadership Team is determined by the Board upon proposal of the Remuneration and Nomination Committee. The remuneration policy describes the different components of, and determines an appropriate balance between, fixed and variable remuneration, and cash and deferred remuneration.

In particular, the agreement with the CEO is discussed and approved by the Remuneration and Nomination Committee and the Board. The commercial packages, offered to the members of the Senior Leadership Team are discussed upon their recruitment at the Remuneration and Nomination Committee



and submitted for final approval to the Board. Furthermore, the packages are benchmarked at regular intervals (currently every two years).

In addition to base salary, fringe benefits and share options, Senior Leadership Team members may be eligible to variable remuneration issued by Telenet. The variable part of the Senior Leadership Team's remuneration package links rewards to corporate and individual performance, thereby aligning the interests of the Senior Leadership Team with the sustainable value-creation objectives of Telenet. It is composed of:

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

A long-term incentive plan carefully designed upon recommendation of the Nomination and Remuneration Committee, consisting of 1/3 of stock options, 1/3 of performance shares and 1/3 of restricted shares (temporary non-transferable shares):

The performance shares provide in a potential grant of Telenet shares based on the achievement of key performance indicators over a three-year period. The performance shares provide in a claw-back clause of the granted variable remuneration in well-defined circumstances, including revision of the annual accounts and fraud.

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

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

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

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

The remuneration report of Telenet sets out in detail the remuneration and the benefits of the CEO. The remuneration and benefits that are granted to the Senior Leadership Team are disclosed on a global basis in the remuneration report. Where the Senior Leadership Team is eligible for remuneration based on performance of Telenet, the criteria for the evaluation of performance achieved against targets as well as the term of evaluation are set out in the remuneration report. In addition, Telenet discloses in its remuneration report the arrangements made with the CEO and other members of the Senior Leadership Team in case of early termination, as well as the number of shares, profit certificates, stock options and

warrants, granted, exercised or lapsed during the financial year by members of the Senior Leadership Team on an individual basis.

#### **4.10. Conflicts of interest**

The Senior Leadership Team has a duty to place Telenet's interests above their own and will 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 Telenet. When the Senior Leadership Team takes a decision, the executives shall disregard their potential personal interests and refrain from using business opportunities intended for Telenet for their own benefit.

Members of the Senior Leadership Team are required to inform the CEO of any conflict of interests that could in their opinion affect their capacity of judgement. The CEO shall in turn inform the Chairman hereof.

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

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

## 5. PART VI: Dealing Code, Compliance Officer and Market Disclosure Committee

### **The Market Abuse Framework**

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

### **The Dealing Code and Compliance Officer**

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

Telenet ensures strict compliance with the Market Abuse Framework and its Dealing Code and has appointed a compliance officer under the Dealing Code responsible for supervising such compliance and to deal with the matters entrusted to the compliance officer as specified in the Dealing Code. The Board further established a Market Disclosure Committee to analyse and determine whether potential Inside Information may be available within Telenet at any given time. These measures are described in further detail hereafter.

Infringing the rules set out in the Dealing Code and the Market Abuse Framework in general may expose individuals to significant sanctions, such as administrative fines, criminal fines and imprisonment, termination of employment/service agreement for cause, as well as civil liability. It is therefore of the utmost importance that each addressee fully complies with the Dealing Code and the Market Abuse Framework rules at any time.

In case of questions with respect to the Dealing Code, please contact the persons referred to therein.

### **The Market Disclosure Committee**

Under the Market Abuse Framework, Telenet is obliged to disclose to the public as soon as possible the Inside Information directly related to it.

In exceptional circumstances however, the Market Abuse Framework accepts that such disclosure may damage the legitimate interests of Telenet. In such circumstances, it is permissible under the Market Abuse Framework for the publication of the Inside Information to take place at a later date, provided that it is unlikely that deferral will lead to misleading the public and that Telenet can guarantee the confidentiality of the Inside Information. At the time of the deferred publication of Inside Information, the FSMA is informed of the deferral decision in accordance with the Market Abuse Framework.

By decision of 26 July 2016, the Board has resolved to establish a Market Disclosure Committee. The Market Disclosure Committee is responsible for overseeing the disclosure of information by Telenet to

meet its obligations under the Market Abuse Framework. The Market Disclosure Committee reports to respectively an *ad hoc* executive board committee, and to the Audit and Risk Committee.

The Board has approved the terms of reference applicable to the Market Disclosure Committee to ensure the appropriate functioning of this committee.

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## **Definitions used:**

**Articles of Association:** the articles of association of Telenet.

**Belgian Companies Code:** the Belgian Code of Companies and Associations, as implemented by Act of 23 March 2019.

**Board:** the board of directors of Telenet Group Holding NV.

**Chairman:** the chairman of the Board.

**Charter:** the Corporate Governance Charter as approved by the Board on 12 February 2019.

**Code:** the Belgian Corporate Governance Code 2020.

**Committee(s):** The Audit and Risk Committee and the Remuneration and Nomination Committee.

**Company Secretary:** the company secretary of the Board.

**Dealing Code:** the Telenet Dealing Code as approved by the Board on 14 February 2017, and last modified on 13 December 2017.

**Golden Shares:** 30 shares held by the mixed intercommunales of whom Telenet acquired in earlier times the cable infrastructure, to which the right is attached to appoint half of the members of the Regulatory Board, allowing as such the mixed intercommunales to control Telenet's compliance with the Public Interest Guarantees (as defined in the Articles of Association).

**Group:** Telenet and its subsidiaries.

**Liquidation Dispreference Shares:** the shares held by Interkabel and the Liberty Global-group and which are subject to a liquidation dispreference treatment in case of liquidation of Telenet. At simple request, they can be converted into ordinary shares on the basis of 1.04 Liquidation Dispreference Share for 1 ordinary share.

**Market Abuse Framework:** the legal framework for the market abuse rules applicable to the Telenet Group and its stakeholders consists principally of Regulation No 596/2014 on market abuse (the Market Abuse Regulation), together with its implementing European and Belgian regulations, as well as ESMA and FSMA guidance.

**Senior Leadership Team:** the senior leadership team of Telenet as described in title 5.2 of this Charter.

**Telenet or the Company:** the limited liability company incorporated under Belgian law Telenet Group Holding, with registered office at Neerveldstraat 107, 1200 Sint-Lambrechts-Woluwe, Belgium, and registered in the Register of Legal Persons of Brussels under the number 0477.702.333.

**Inside Information:** any information that is (i) precise, (ii) not public, (iii) relating directly or indirectly to the issuer (*i.e.* Telenet) or its financial instruments, and (iv) which is 'material', *i.e.* if it were made public, would be likely to have a significant effect on the prices of those financial instruments (or on the prices of related derivative financial instruments).