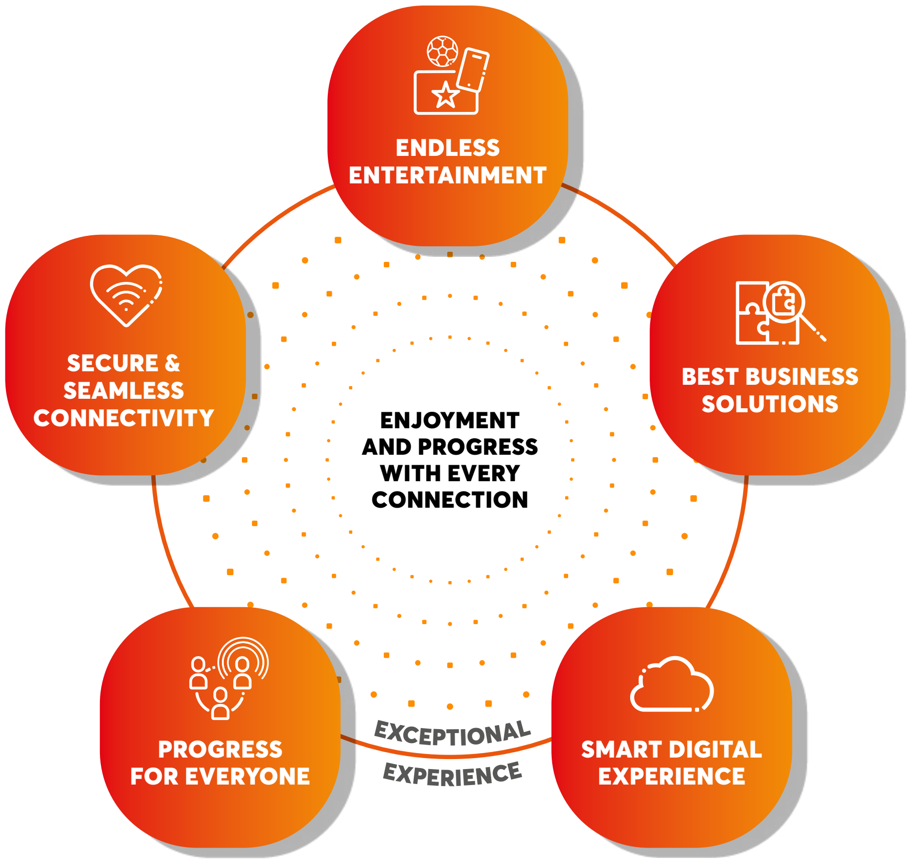
Integrated Annual Report 2023

Connection in action



Connection in action

With our secure and seamless connectivity, endless entertainment offering, best business solutions, smart digital experiences and commitment to supporting people and planet, VodafoneZiggo enables enjoyment and progress with every connection.

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2023 at a glance

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AVAILABILITY OF FIXED NETWORK ✓
In %
99.98
2022: 99.97

PEOPLE HELPED TO PROGRESS
In thousands
194
2022: 225

BRAND NPS

Ziggo Consumer ✓
-1
2022: 2

Ziggo Business ✓
-7
2022: -11

Vodafone Consumer ✓
18
2022: 16

Vodafone Business ✓
6
2022: 0

hollandsnieuwe ✓
35
2022: 25

AVAILABILITY OF MOBILE NETWORK ✓
In %
99.79
2022: 99.79

WOMEN IN TOP MANAGEMENT ✓
In %
39
2022: 34

CO_2 EMISSIONS AND REDUCING CO_2 EMISSIONS BY HALF[1]

Scope 1 + 2 in kTon ✓
7
2022: 9

Scope 3 in kTon ✓
309
2022: 381

Achieved CO_2 reduction in %
44
2022: 30

REVENUE
In € millions
4,115
2022: 4,066

SHAREHOLDER CASH DISTRIBUTIONS[2]
In € millions
302
2022: 602

OPERATIONAL FREE CASH FLOW[2]
In € millions
905
2022: 946

ADJUSTED EBITDA AL[2]
In € millions
1,803
2022: 1,894

COVENANT LEVERAGE RATIO[2]
4.59x
2022: 4.49x

CAPEX ADDITIONS[2]

In € millions
898
2022: 948

% of revenue
21.8
2022: 23.3

1 CO_2 reduction achieved compared to base year 2018.
2 For definitions, see sections *Alternative performance measures* and *Glossary*.

The indicators that fall within the scope of limited assurance of our external auditor are marked with the ✓ symbol.

Throughout the year

Vodafone introduces OneNumber, and offers e-sim support for Apple watches

Municipalities and internet providers join forces for digital inclusion

VodafoneZiggo attains Gold Medal recognition for sustainable practices by EcoVadis

VodafoneZiggo wins INC Award for most inclusive advertiser

Africa Cup of Nations broadcasted on Ziggo Sport

Significant increase in internet speed for all Ziggo customers

Message from our CEO

From a competitive telecom sector to a fast-changing entertainment market; from economic headwinds to technological advances – VodafoneZiggo is part of a dynamic and sometimes challenging landscape. In 2023, we embraced challenges and opportunities alike, continuing to differentiate ourselves through our unique offering, to embody our fundamental values and to deliver on our purpose of creating enjoyment and progress with every connection.

One of the most memorable moments for me was gathering all our colleagues at the Ziggo Dome to celebrate all our remarkable achievements over the years. The event symbolised our successful transformation into one company, with one culture – a culture that people name as their top reason for joining, staying with and returning to VodafoneZiggo.

SPOTLIGHT ON OUR NEW STRATEGY

2023 was a year of hard work as well as celebration. For the seventh consecutive year, we grew our converged, mobile and business customer base and delivered a solid financial performance, all of which supported the achievement of our financial targets (see *Financial performance*). Our investments resulted in excellent networks, products, and services, underscoring our dedication to our vital role in connecting society. Meanwhile, our focus on implementing our strategy (see *Our strategy*) yielded tangible results across all five pillars.

Under 'Secure & Seamless Connectivity', for instance, we successfully reduced the number of high-level connectivity incidents by 50%, making our network more stable and supporting an exceptional customer experience. In 'Endless Entertainment', we fully integrated many new over-the-top (OTT) streaming providers on our platform and prepared to take on the exclusive broadcasting rights for UEFA European club football on Ziggo Sport from summer 2024, cementing VodafoneZiggo's position as a leading player in the entertainment space.

"OUR PURPOSE IS TO CREATE ENJOYMENT AND PROGRESS WITH EVERY CONNECTION."

Our commitment to delivering 'Best Business Solutions' was exemplified by the launch of our Werkt Gewoon ('It just works') campaign, reaffirming our integral role as a true partner to our customers' businesses and ambitions. Meanwhile, the 'Smart Digital Experience' we offer to customers and employees alike became more simple, smart and personal thanks to solutions powered by artificial intelligence (AI).

The fifth pillar of our strategy, 'Progress for Everyone', represents the integration of our environmental, social and governance (ESG) ambitions into the heart of our strategy. In 2023, we formalised our environmental commitment and set net-zero targets[1] by 2030 for our own operations and by 2050 for our value chain. More importantly, we took meaningful steps towards realising this goal, for example by rolling out more energy-efficient mediaboxes that simultaneously deliver an optimal viewing experience.

[1] See definition of net-zero targets in *Glossary*.

SUSTAINABILITY AT THE CENTRE

The importance of embedding our sustainability ambitions – relating to people and planet alike (see *Supporting people and planet*) – into our business strategy cannot be overstated. This was reaffirmed by my conversations on the topic in 2023 with stakeholders of all kinds. VodafoneZiggo also organised a memorable event for industry leaders in the Ziggo Dome, where former US President Barack Obama spoke about the importance of building an inclusive society. This inspiring evening reinforced the need for VodafoneZiggo to do all we can to enable digital inclusion for everyone.

This Integrated Annual Report is in itself a next step on our journey as a responsible business and towards compliance with the Corporate Sustainability Reporting Directive (CSRD). At VodafoneZiggo, we are committed to reporting transparently on our performance as a means of holding ourselves accountable, building trust among our stakeholders and growing our positive impact on the society we operate in.

"WE DO ALL WE CAN TO ENABLE DIGITAL INCLUSION FOR EVERYONE."

At the same time, our ability to support environmental and societal progress is measured by our prompt and adept response to the industry trends and challenges we face as an organisation – something we will achieve by remaining focused on all five pillars of our strategy.

PASSING THE TORCH

As I step down as CEO on 1 May and prepare to hand over responsibilities, I am extremely proud of what VodafoneZiggo achieved during 2023 and, indeed, of all we have accomplished over the past seven years. Our assignment back in 2017 was to integrate two companies, generate synergies and prove the value of converging fixed and mobile. Despite the challenges, we have achieved all that and much more.

I therefore want to thank all my VodafoneZiggo colleagues for their passion and hard work, which continue to inspire me, day in, day out. Our talented employees live our purpose, enabling enjoyment and progress with every connection. I count myself very fortunate to have been part of such a unique organisation.

In particular, I want to express my gratitude to my fantastic team, with whom I have worked closely for years. I have no doubt that under their leadership, and with our new strategy guiding the way, VodafoneZiggo will continue to thrive in the years ahead. I look forward to seeing where the next stage of VodafoneZiggo's journey leads.

Jeroen Hoencamp
CEO VodafoneZiggo

About VodafoneZiggo

We are VodafoneZiggo, a leading Dutch telecom company that provides fixed and mobile connectivity, entertainment services and business services to consumer and business customers.

NUMBER OF EMPLOYEES
6,791
2022: 6,687

FIXED-LINE CUSTOMERS
3.52m
2022: 3.66m

MOBILE CUSTOMERS
5.64m
2022: 5.53m

CONVERGED HOUSEHOLDS
1.54m
2022: 1.52m

NUMBER OF ANTENNA LOCATIONS
6,054
2022: 6,000

NUMBER OF OFFICES
7
2022: 8

NUMBER OF SHOPS
100
2022: 106

All figures as of 31 December 2023

OUR STORY

VodafoneZiggo started in 2017 as a joint venture from the merger of Vodafone Netherlands and Ziggo, each with its own strong heritage stretching back more than two decades. In the years since, under the guidance of parent companies and shareholders Vodafone Group and Liberty Global, VodafoneZiggo has become a fully converged operator, offering both fixed and mobile services.

We do this through our two premium brands, Vodafone and Ziggo, as well as our no-frills mobile business, hollandsnieuwe. Our converged approach allows us not only to grow faster as a company but also to provide more products and services, more efficiently, to more customers – all while delivering an exceptional customer experience.

OUR BRANDS

Supported by the modern and stable Vodafone and Ziggo networks, we operate as a single company that delivers two premium brands. In addition, we serve the mobile 'no-frills' segment with hollandsnieuwe: affordable subscriptions with basic services.

Vodafone is one of the most innovative brands in the market for mobile telecommunications services. Vodafone was the first network to introduce 5G in the Netherlands and Vodafone Group is a global market leader in providing solutions for the Internet of Things (IoT). At the same time, Vodafone Business is an indispensable partner for the business sector in the Netherlands. We offer services to businesses of all sizes, from SMEs and self-employed professionals to government bodies and the largest Dutch multinationals.

Ziggo stands as a premier communication and entertainment service provider for consumers and companies in the Netherlands. It offers a broad range of fixed services and products, featuring a Gigabit internet network offering nationwide coverage, SmartWifi pods and digital television via the Mediabox Next Mini. Ziggo provides unique entertainment content via state-of-the-art video platforms, with the focal point being our award-winning Ziggo GO app. Notably, Ziggo strengthened one of its major pillars, Ziggo Sport, by acquiring exclusive rights to all European Club football from UEFA.

hollandsnieuwe entered the telecom market in 2011 with a unique proposition, introducing no-frills digital services bundled with voice, text, and data. Customers who combine hollandsnieuwe with a Ziggo subscription, receive extra benefits and a free TV package. The focus remains on customer satisfaction and service excellence, driven by dedicated employees and a digital-first approach. Experience seamless support through our innovative chat and voicebot, Anouk.

The world around us

From global, regional and national developments to industry, corporate and consumer trends, the world around us continued to change and challenge in 2023. For VodafoneZiggo, every challenge brings opportunities.

We continued to scan our business environment and gather customer feedback to enable us to monitor and adapt to the shifting landscape. Several external factors – spanning sustainability, digitalisation and socio-economics – had a notable impact on our organisation.

ACROSS THE GLOBE

FROM PROFIT TO PURPOSE

With a looming environmental crisis and rising social inequality, our world is facing urgent challenges for its inhabitants. Over recent years, there has been a notable shift from a profit-driven economy to a more purpose- driven economy. This is especially clear in Europe, where an increase in legislation, including Corporate Sustainability Reporting Directive (CSRD), is matched by growing public pressure. Market research shows that environmental, social and governance (ESG) factors play an increasing role in consumer purchasing decisions and corporate tender processes. At VodafoneZiggo, we recognise that acting responsibly in everything from accessibility to sustainable mobility is what gives us our license to operate, from a purpose, compliance, commercial and reputational perspective.

See: Supporting people and planet

AI BOOSTS DIGITALISATION

Today, there are few areas of life that are not being radically reshaped by digitalisation. We – and our customers – expect to be able to carry out all kinds of daily activities using digital means, whether we are at home, at work or on the go. The digital transition continued to ramp up in 2023, with generative artificial intelligence (AI) hitting the headlines early in the year. For VodafoneZiggo, the challenge is to stay ahead of the expectations and needs of our customers and employees by providing high-tech, seamless digital systems and services at every stage of their journey with us.

See: Exceptional customer experience

PRIVACY AND SECURITY

In 2023, the rise of digitalisation brings increasing concerns around (cyber) security, privacy and the use of data, exemplified by the overall growing threat of cyberattacks. Meanwhile, natural disasters – including several major earthquakes – confirmed the importance of connecting people at times when communication between families, friends and authorities is critical. All this means VodafoneZiggo has an even greater role to play in protecting our customers, our business partners and their customers and wider society – helping everyone safely participate in the digital world and providing reliable connections when it matters.

See: Data security and privacy for customers and employees

IN OUR MARKET

CHANGES IN PURCHASING BEHAVIOUR

In 2023, the global economic situation continued to affect people in the Netherlands. High inflation and energy costs put financial pressure on households, including many in our customer base. VodafoneZiggo has a responsibility to protect our customers from financial risk by, for example, carrying out credit checks. At the same time, with our own operational costs also rising, we need to keep reviewing the value of our products and services and how we translate this into pricing, carefully balancing the needs of our customers with those of our business.

See: Our 2023 results

THE DIGITAL DIVIDE

The economic polarisation of our society is reflected in another significant divide: the digital gap between those with the access and skills needed to participate fully in the online world and those without. While government-level discussions about digital skills in the primary school curriculum continued in 2023, no decision has yet been taken. As a leading telecom company committed to helping people progress in society, VodafoneZiggo continues its efforts to narrow the digital divide by enabling access, ensuring that their products and services are accessible, and empowering people with digital skills.

See: Leave no one behind

HOMES AND WORKERS

The population in the Netherlands grew by 140,000 in 2023. At the same time, the housing shortage intensified, nearing 400,000 by the end of the year. These related trends have a mixed impact on VodafoneZiggo: on the one hand, more people represent more potential mobile network customers; on the other, if not enough new homes are built, the autonomous growth of the fixed-network market is limited. A further socio-demographic factor that affected our organisation in 2023 was the low unemployment rate. The tight labour market made it unusually challenging for us to hire the talented people we rely on, especially in more data-related roles.

See: Employer of choice

IN OUR INDUSTRY

TRENDS AND BEHAVIOURS

While people may watch less live television than they used to, video content consumption is higher than ever. From on-demand streaming – via today's proliferation of over-the-top (OTT) services – to social media content and even to 2023's cinema box-office hits, consumers continued to gravitate towards the entertainment they love and the channels that suit them. Changing consumer behaviour has a clear impact on VodafoneZiggo's portfolio and on how we, as a facilitator and aggregator, connect people seamlessly with high-quality content. Another important trend is the rise of the IoT. Smart home devices are no longer reserved for early adopters: in 2023, Dutch households were equipped with an average of 5.5 connected devices, ranging from doorbells to dishwashers. This increases the demand on our network, making our ability to supply sufficient capacity and reliability fundamental to our customers' daily lives and to the success of our business.

See: Reliable and future-proof networks

CHANGING COMPETITOR DYNAMICS

The year saw the evolution of our competitor landscape thanks to the consolidation of several telecom brands in the Dutch market. Meanwhile, our fixed-network competitors continued to roll out fibre optic cables, racing to provide – and advertise – higher internet speeds to customers. This is a challenge for us at VodafoneZiggo, even though our own coaxial-fibre cable network is more than capable of fulfilling our customers' needs. It means we must keep offering much more than just speed, by using our reliable, high-quality network to enable outstanding entertainment and business solutions, an exceptional customer experience and enjoyment and progress with every connection.

See: Reliable and future-proof networks

REGULATORY DEVELOPMENTS

The competitive nature of our market was underscored by a decision made by the Netherlands Authority for Consumers & Markets (ACM) in December 2023. We welcome the ACM's finding that there is sufficient competition and therefore no need to regulate access to VodafoneZiggo's network by other parties, which means we can continue to support our customers and grow our business as planned. We also saw an increasing regulatory focus in 2023 on network security and integrity: the Dutch government started the transposition of the updated Network and Information Security (NIS2) directive, while the EU continued discussions on its proposed Cyber Resilience Act. More stringent legislation will raise the bar for our compliance efforts and guide our future security activities.

See: Data security and privacy for customers and employees

Connection in action

CASE STUDIES

We firmly believe in connecting everyone in our society to an inclusive, innovative and sustainable future. Here, we shine a spotlight on five case studies, illuminating the positive impact of our connections.

SECURE & SEAMLESS CONNECTIVITY

Connections when it matters most

Through the Vodafone Foundation's Instant Network programme, two VodafoneZiggo volunteers helped create life-saving connections through emergency mobile networks.

In February 2023, two major earthquakes shook Turkey and Syria. When Vodafone Turkey requested help, Jeroen Aanraad, Manager Infrastructure & Testing, and Babet Agten, Talent Manager, answered the call, joining an international team of Instant Network volunteers in setting up an emergency mobile network in the affected area.

After gathering in Adana, Turkey, the team set to work deciding what to do first – and where. "We had a long list of potential locations and various scraps of information," remembers Jeroen. "It was hard to know where to start. Luckily, Babet found a website showing where people were congregating and how much social media traffic there was."

"In crowded places with little data traffic, there was clearly a need for internet," Babet says. "That was where we could make the biggest difference."

After a harrowing journey through the devastation, the team arrived at a university campus in Adiyaman, where they spent the next two days setting up seven locations with Instant WiFi. These solutions immediately became indispensable, helping to relay coordinates to relief organisations, manage food distribution areas and organise camps for people whose homes had been destroyed.

THINKING ON THEIR FEET

For Babet, mission success depended on balancing precision with flexibility. "Sometimes, we had to improvise. For example, Jeroen noticed that there were only two power outlets in a large hall housing many people, and immediately set up an Instant Charger with chairs for people to use. It quickly became a meeting point for everyone from bakers and firefighters to nurses and relief workers."

"Many people were able to save their phones, but they were useless without power," explains Jeroen. "Our mobile charging stations enabled rapid charging for dozens of phones at once."

CONTRIBUTING HOWEVER WE CAN

It was a highly charged experience in many ways, with the team coming face to face with the intense emotional aftermath of the earthquakes. "People thanked us and told us their stories," says Babet. "There was shock and pain, but above all there was the need for connection. We were just glad we could help."

"In critical situations, you learn what connection means and why our networks are so important," agrees Jeroen. "We made sure local engineers took over the emergency network when we left. Even after we came home, it was reassuring to know our equipment was still bringing people together in the most difficult of times."

Discover more about VodafoneZiggo's approach to enabling essential connections in *Reliable and future-proof networks*.

Exclusive experiences with Priority

Eleven bands, six episodes and one unforgettable experience – all adding up to a resounding success for VodafoneZiggo's Priority programme.

Through Priority, we offer our customers priority tickets to live events, creating in-person connections and memories thanks to the very best entertainment. In spring 2023, that entertainment was The Tribute: Battle of the Bands, a primetime SBS TV programme sponsored by VodafoneZiggo and culminating in three exclusive performances – The Tribute: Live in Concert – at the Ziggo Dome.

"We wanted to raise awareness of Priority, and all the benefits it brings, among music fans," explains Thomas Metz, Manager Partnerships at VodafoneZiggo. "In the past, we've mainly used sponsorship to boost brand awareness, but this time we adopted a stronger focus on customer benefits. This approach opens up exclusive entertainment opportunities, sparks and strengthens connections between people, and creates enjoyment through shared experiences."

EXCEEDING OUR AMBITIONS

The unique combination of a TV music contest with stadium concerts and seamlessly integrated commercial messaging proved irresistible to fans. Not only did The Battle of the Bands draw around one million live viewers per episode, but the campaign also succeeded in selling out the Ziggo Dome three times, around 45,000 tickets altogether. Leveraging the new Priority platform, the last live concert sold out during the Saturday-evening broadcast of the TV finale.

"These results reflect the appeal of in-person experiences as an extension of at-home entertainment," Thomas continues. "What's more, thanks to strong collaboration with different stakeholders, we surpassed nearly all our brand and business objectives."

Indeed, awareness of the Priority programme increased by 16%, with attitudes towards and consideration of both the Vodafone and Ziggo brands also increasing beyond initial expectations. With the business case for sponsorship initiatives linked to customer benefits made clear, VodafoneZiggo is now embedding this approach further into the Priority music domain.

GOLD-STANDARD SPONSORSHIP

Meanwhile, our creative approach to customer-first sponsorship caught the eye of the wider industry, earning VodafoneZiggo a gold award in the SponsorRingen 2023 Entertainment category.

"We were delighted to earn this recognition," says Thomas. "It confirms that by offering exclusive, exceptional experiences to customers, we can grow our external brand performance and unlock meaningful differentiation from competitors. In turn, that helps us attract and retain more customers. It's a similar story when it comes to internal engagement: Priority is a great channel for delivering employee benefits and incentivising the talented people our organisation relies on."

Find out more about how we are harnessing the power of connection to bring enjoyment on and off the screen in *Home of entertainment*.

Blended shopping: a unique experience

Welcome to the Shared Shop: a unique shopping experience provided by VodafoneZiggo – and enabled by augmented reality (AR) technology.

Bringing significant benefits for consumers and fitting perfectly into our modern lifestyles, online shopping is big business. Nevertheless, there are warning signs for e-retailers: "We are witnessing a movement towards more conscious consumption," says John van Vianen, Executive Director Business Market at VodafoneZiggo. "Today's consumers are increasingly aware of the environmental and social impacts of their purchasing habits. That's driving them to look not only for more information about what they buy, but also for novel experiences while they're browsing."

Another challenge facing online entrepreneurs is the burden of managing the necessary IT systems: maintaining them can be difficult enough, let alone capturing technology's potential to drive business growth. Enter VodafoneZiggo's Shared Shop concept: an opportunity for three online businesses to offer their customers a physical shopping experience – with an AR twist.

AN AUGMENTED EXPERIENCE

For a week in November and December 2023, our Vodafone Business store in Amsterdam played host to the Shared Shop. In collaboration with sustainable fashion brand Studio Subtl, FairChain coffee company Moyee Coffee and vitamin brand Yummygums, we created a unique blended shopping experience, bringing together feet on the ground with a 'virtual layer' at people's fingertips.

"Thanks to AR, by scanning stickers on the shop floor, customers were able to access a virtual layer with information about the businesses' products and stories," explains John. "People could explore the full product range, get to know the brands and their values and even make an online purchase on the spot."

For Studio Subtl, the Shared Shop was a chance to shine a spotlight on its exclusive use of sustainably produced fabrics and European production sites, minimising its environmental impact. Moyee Coffee used the virtual layer to enlighten customers about how every cup of its specialty coffee contributes to eradicating poverty and deforestation. Meanwhile, Yummygums showed visitors the benefits of a healthy routine and how simple it can be to embed positive habits.

FIT FOR THE FUTURE

The Shared Shop is a prime example of VodafoneZiggo's ambition to support all our business customers in discovering and capitalising on the advantages of digitalisation. "Consumer behaviours may be changing, but this initiative shows there are still exciting possibilities out there for forward-thinking entrepreneurs," John concludes. "By enabling strong connections, we can help companies of all shapes and sizes take advantage of these opportunities."

Learn more about how we help businesses thrive in the digital transition in *Best Business Solutions*.

A small team with a big impact

Under VodafoneZiggo's unique approach to customer service, our passionate problem-solvers are backed up by the tools, training and support they need to get to the bottom of any issue.

Established in 2020, our WiFi Crew, continued going from strength to strength in 2023. At around 200 people, the team is relatively small by customer service standards, but its members have a powerful positive impact.

"The WiFi Crew is a group of colleagues you can't help but want to be part of," explains Sjors de Visser, Director Customer Care Business to Consumer & SoHo. "They're an extremely knowledgeable team, recruited primarily because of their passion for technology. They need to be driven to learn everything about the latest hardware and software – and determined to resolve any customer issue they encounter."

The idea behind the WiFi Crew is that each member is the last link in the problem-solving chain, becoming the customer's fixed point of contact and guiding them all the way to the finish line. The Crew continued its impressive performance in 2023, achieving high rates of success.

TOOLING AND SCHOOLING

Sjors believes the key to the Crew's success is ensuring its members' technical wizardry is backed up by ongoing support and the very best tools and training. "We give WiFi Crew members a high degree of ownership, authorising them to investigate issues until they get to the bottom of them. We also provide professional tools, including the most complex network software. Of course, we don't expect them to know everything – so they get training and support from the community of experts in our network."

"THE WIFI CREW HAS PROVED TO BE A GAME-CHANGER."

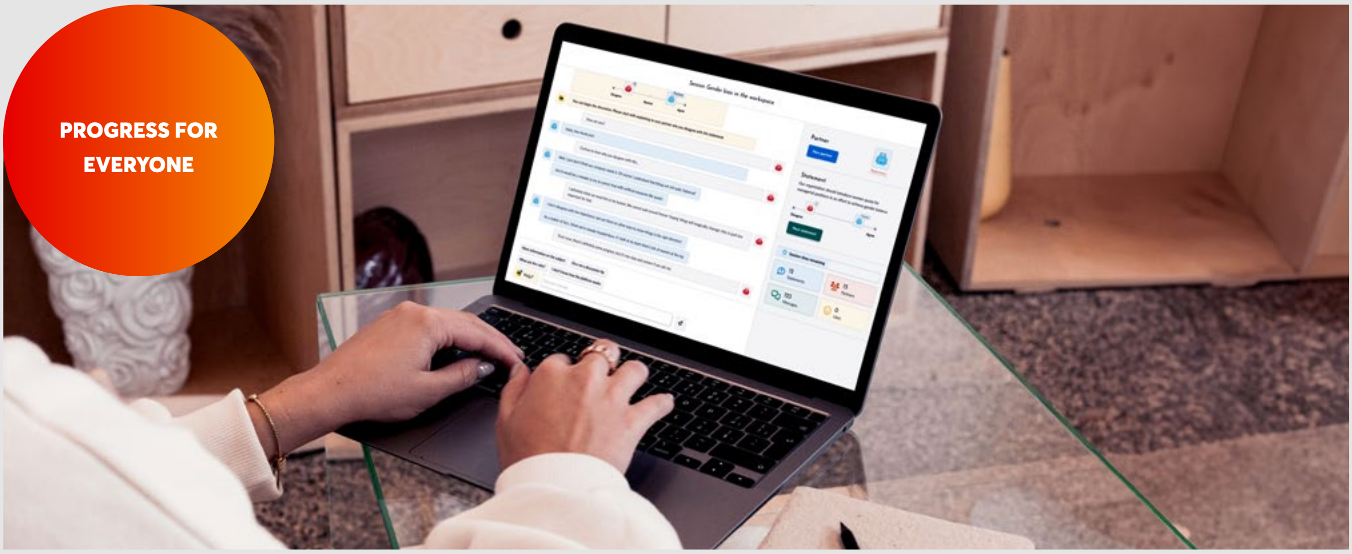
For the toughest technical issues, Crew members can even turn to VodafoneZiggo's Tech Desk. These collaborations have already yielded several important discoveries: "For example, we discovered that certain laptops didn't work well with the software used in a particular modem," says Sjors, "and were able to take steps to address that before it affected more people."

MAKING SOMEONE'S DAY

The WiFi Crew is a natural fit with VodafoneZiggo's 'Maak vandaag fantastisch' ('Make today fantastic') initiative, using small actions to make a big difference to people's lives. Not only does customers' appreciation of our brand increase after contact with the Crew, but our personal approach also means customers are more understanding if finding a resolution takes longer than hoped.

"The Crew has proved to be a game-changer," Sjors concludes. "It's so effective that we're even adopting some of its tooling and authorisations at the front line of VodafoneZiggo's customer service – a real testament to the team's success!"

Read more about our customer focus in *Exceptional customer experience.*



Speak out in complete safety

A new online platform enables VodafoneZiggo colleagues with different points of view to chat anonymously, one on one – and build connections based on openness and respect.

Speaking your mind at work – about anything from a new organisational strategy to LGBT+ issues in the workplace – can promote greater understanding and engagement among colleagues. But this is easier said than done: "Not everyone feels able to talk openly," says Marieke Zuidema, Director People Development & Leadership at VodafoneZiggo, "especially when they have a different opinion or are afraid to ask certain questions. But we want everyone to feel safe to share their perspective and be involved in a wide range of discussions."

BEYOND THE BUBBLE

In 2023, we turned to Civinc (named after the term 'civic inclusion'), an online tool that allows employees to take part in one-on-one chats in full anonymity. "At VodafoneZiggo, we're all about connecting people, and Civinc embodies that perfectly," says Marieke. "The tool pairs up two colleagues who have given different responses to a particular statement, so they can engage safely in a conversation with someone outside their 'bubble'."

Unlike many online forums, Civinc chats have no audience – meaning there's no pressure to earn 'likes'. "People ask whether the anonymity leads to polarisation and animosity," Marieke continues, "but every session proves the opposite: our users act respectfully and feel able to be vulnerable. The Civinc format helps people find the courage to ask questions and gives them space to find nuance."

TO DIVERSITY AND BEYOND

VodafoneZiggo is the first large organisation to deploy Civinc widely. So far, the platform has mainly been used in relation to diversity and inclusion themes, but one session – in which people leaders discussed our new company strategy – showed that its potential spans a vast range of organisational issues.

With almost 330 people taking part in 2023, the sessions have already provided a wealth of useful (and completely anonymised) data, notably regarding people's answers to the opening statements. Thanks to AI technology, Civinc also provides analyses of the arguments, ideas and solutions that people put forward in their discussions, helping Marieke and her team better gauge sentiment among our workforce.

Our Civinc initiative has quickly become a popular feature of VodafoneZiggo's open and inclusive culture – and with sessions on masculine and feminine leadership, our sustainability goals and VodafoneZiggo as an employer all planned for 2024, that is unlikely to change any time soon.

For more details on how we create a safe and empowering environment for our people, see *Diversity, equity and inclusion*.

Diesel to electric, lightning-fast

Our fixed network enables people to make meaningful connections remotely, cutting down travel and saving on CO_2 emissions. To keep this network up and running, our technicians still need to hit the road – so we are helping them get from A to B more sustainably than ever.

Numbering more than 500 vans, the VodafoneZiggo fleet helps keep the Netherlands connected – but it also has a crucial role to play in driving progress towards our company-wide CO_2 emissions target: a 50% reduction by 2025 compared to 2018. So what does it take to successfully electrify a fleet like ours?

“With clear sustainability goals in place,” says Jan Heijmans, Manager Expert Team at VodafoneZiggo, “we turned our attention to three more practical factors. First was investment, as electric vans cost more up front. Luckily, this was a cost that VodafoneZiggo accepted immediately. Second was range: different vans come with different battery-charge lifetimes. Finding the right e-van to keep our technicians on the move – especially in rural areas – was crucial. Finally, there was the matter of engagement: some technicians weren’t keen to exchange their familiar diesel van for an electric model. To gain acceptance, it was important to involve our people in the process from the outset.”

BRINGING EVERYONE ON BOARD

That process started with a big decision: choosing the right brand and model. From four contenders, the Opel Vivaro-e was selected as the best solution for VodafoneZiggo’s needs. Then, again with the input of our technicians, it was a case of identifying the equipment and layout that would ensure optimum efficiency.

“WE ARE ON TRACK TO SURPASS A 90% ELECTRIC FLEET BY 2027.”

Time to get behind the wheel: “We set up a pilot with ten of the new e-vans,” Jan continues. “We had a team of experts on hand providing guidance on key aspects, such as driving an automatic, saving energy and using the cameras and navigation system. After the pilot, 150 technicians made the switch – and the support continued. That was key to ensuring a smooth transition, for us and, more importantly, for our technicians.”

WINNING OVER THE SCEPTICS

In fact, the smoothness of the process was clearly reflected in the feedback Jan received. “It was unanimous. Even those who were sceptical beforehand told me they were completely sold on e-vans! And I’m not surprised – they’re comfortable, quiet and packed with all kinds of helpful technical features, like traffic-sign recognition.”

As for the numbers, they speak for themselves. At the end of 2023, 43% of our fleet was electric, and we are on track to surpass 90% by 2027.

For more details on our greener travel approach, see *Sustainable mobility*.

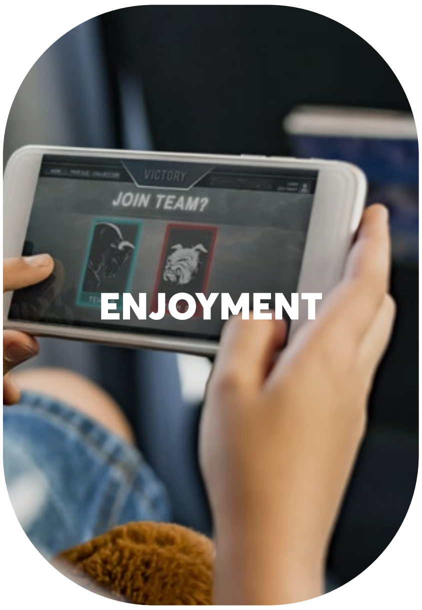
Our strategy

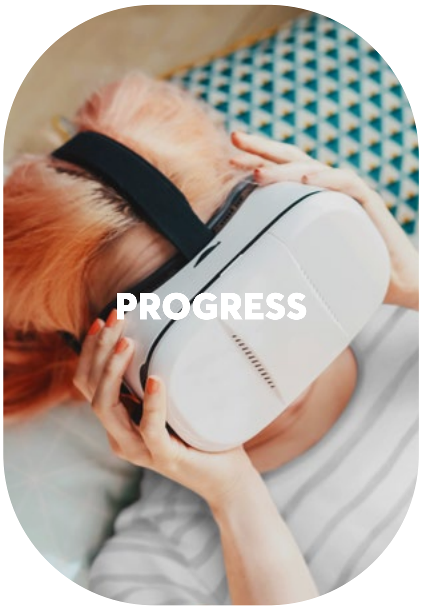
The renewed strategy we launched in 2023 sets us apart from others in the industry, while embedding our organisation even more firmly in our society. Bringing together our strategic pillars, company values and connecting thread, our strategy sets the direction for everything we do at VodafoneZiggo – and it all starts with our purpose of creating enjoyment and progress with every connection.

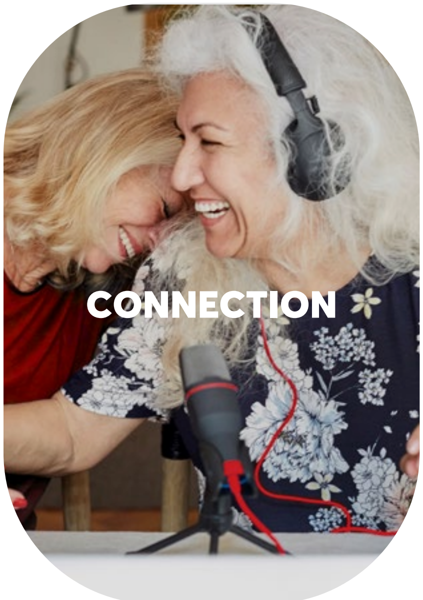
OUR PURPOSE

ENJOYMENT AND PROGRESS WITH EVERY CONNECTION

Our purpose represents what we stand for. VodafoneZiggo makes valuable connections: between people and for people. Whatever connection our customers make – a video call to their grandparents, a film night at home with their family or an online presentation to their colleagues – we ensure they can get the most out of every moment and continue to move forward.







OUR VALUES

OPEN UP — We are open and honest

We show empathy. We are honest and optimistic. We open up to new connections, ideas and situations. We dare to speak up. We stay curious.

And the beauty is:
the more we keep an open mind, the more we learn.

TEAM UP — We are better together

We strengthen each other. We trust each other and value each other's differences. We keep our promises. We stay alert and keep each other on our toes. We celebrate our successes.

And the joy is:
the more we work together, the more we achieve together.

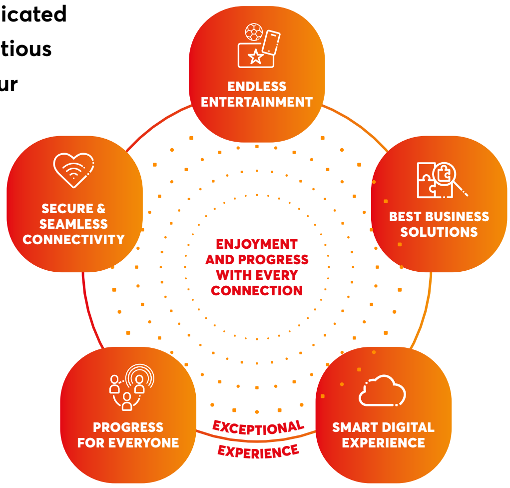
STEP UP — We are bold and sustainable

We act to improve. We take the lead and we take responsibility. We aim for high quality. And we aim for sustainable solutions.

And the great thing is:
the more we achieve, the more our customers will value us.

OUR STRATEGIC PILLARS

These five pillars provide the framework for what we do; day in, day out. Now fully embedded across our organisation, each focus area has dedicated Business Owners responsible for keeping us on track towards our ambitious targets and ensuring we fulfil our purpose. You can read more about our progress on each pillar in the relevant chapters of this report.



SECURE & SEAMLESS CONNECTIVITY

On a daily basis, VodafoneZiggo creates countless connections – between people, businesses and even smart devices. We continuously improve and upgrade our network continuously to meet the needs of millions of people in the Netherlands, so our customers can enjoy a safe, seamless and carefree connection, wherever they are, on any device, now and in the future.

ENDLESS ENTERTAINMENT

A nail-biting sports match, a riveting film or an unforgettable concert: when it comes to entertainment, we are just as passionate as our customers. We are creating the Netherlands' leading entertainment platform – with an easy-to-use search function and personal recommendations – where people come to enjoy their favourite films, series and sports. Meanwhile, thanks to our Priority programme, which gives our customers priority access to live concerts and sports events, our offline entertainment offering takes enjoyable experiences to the next level.

BEST BUSINESS SOLUTIONS

The Netherlands is home to more than two million companies, from pioneering start-ups to major players on the global market – and their success depends on strong connections and constant innovation. VodafoneZiggo provides the technology that enables secure, hybrid and customer-oriented working, as well as IoT applications, making us a rock-solid partner and a driving force behind digitalisation in the Netherlands.

SMART DIGITAL EXPERIENCE

By accelerating our digitalisation, we can provide large-scale, exceptional customer experiences. We are busy creating super-simple, super-smart and super-personal customer journeys, making VodafoneZiggo the go-to partner in people's everyday digital lives.

PROGRESS FOR EVERYONE

The more digitalised our world becomes, the more important it is to make sure nobody gets left behind, that starts with a diverse and inclusive workforce. Our mission is to ensure everyone can participate properly, consciously and safely. This is why we are helping elderly people acquire digital skills and teach children how to be safe and healthy online, as well as examining how we can make our products and services more accessible to vulnerable groups. But we also want to make these contributions to society in a more environmentally sustainable way. Not only do our products and services enable our customers to save energy, but we also have firm ambitions to reduce our CO_2 footprint and set high standards for our value chain partners.

OUR CONNECTING THREAD

EXCEPTIONAL EXPERIENCE

Our connecting thread – joining the dots between our strategic pillars – is the goal of meeting and surpassing customer expectations, providing an exceptional experience. From our technicians, customer agents and shop assistants to our sales managers, marketeers and IT teams, we do this through the products and services we provide to our customers and the environment we create for our employees.

Supporting people and planet

VodafoneZiggo is present in the daily lives of millions of people – and with this presence comes a profound sense of responsibility. Our ambition is threefold: to ensure no one is left behind in our rapidly evolving (digital) society, to foster diverse, equitable and inclusive workplaces and to halve our environmental impact by 2025.

CSR governance

In 2023, we successfully integrated our corporate social responsibility (CSR) ambitions – previously known as People Planet Progress – into the Progress for Everyone pillar of our overarching business strategy (see *Our strategy*). This reflects our approach to sustainability across the environmental, social and governance (ESG) spectrum and beyond; namely, that our sustainability efforts cannot be separated from who we are, what we do and where we aim to go.

We established a more robust CSR governance system in 2023 to ensure we comply with all relevant regulations and maximise our positive impact on people and planet alike.

This means we no longer rely on bottom-up initiatives and the goodwill of CSR ambassadors, but have now embedded formal ESG goals, set by our leadership teams, into VodafoneZiggo's business mechanisms. In turn, this gives our business units the licence to prioritise sustainability alongside other commercial objectives – as well as ensuring management accountability for delivering on these goals.

Meanwhile, we have founded four 'crews' of experts and decision-makers in key sustainability areas: products, mobility, energy and reporting. These groups accelerate progress on these important topics by breaking down departmental silos, creating synergies and sharing best practices, information and resources.

OUR CSR GOVERNANCE CYCLE

ANNUAL

- We set objectives and key results (OKRs) that feed into our Progress for Everyone strategic pillar.

QUARTERLY

- We hold planning sessions in which each business unit creates a path to achieving its OKRs.
- We monitor progress towards our OKRs in business reviews, which include the full Senior Leadership Team.

MONTHLY

- We organise Future Friday sessions as an opportunity for internal stakeholders to prepare for upcoming developments.
- We hold sessions with each newly founded crew to discuss progress on OKRs, share updates on ongoing projects and determine upcoming actions and initiatives.

ONGOING

- We hold internal engagement events – such as webinars, roadshows and the People Planet Progress Festival – targeting different groups at all levels of the organisation.
- Based on inputs and information from the business, the CSR team monitors risks and opportunities in relation to our set targets and, when necessary, initiates change discussions with the relevant stakeholders.

Digital inclusion

Digital developments offer exciting opportunities, but they also widen the 'digital divide' between those with the access and skills they need to participate in our increasingly digitalised society and those without. VodafoneZiggo is committed to ensuring that no one is left behind. By leveraging our technologies and programmes, we are committed to improving the lives of vulnerable groups in today's digital society.

FOCUS AREAS

Access	Accessibility	Skills
Making connectivity available to everyone by offering affordable and emergency connectivity solutions – for example, through our digital participation package and Instant Network programme.	Ensuring that our digital products and services are user-friendly for all – for example, by embedding accessibility both in our way of working and in the results we deliver.	Empowering people with the digital skills essential for full participation in our digital society – for example, through Online Masters lessons in schools and Welcome Online workshops with the elderly, supported by VodafoneZiggo volunteers.

HOLDING OURSELVES TO HIGH STANDARDS

VodafoneZiggo is working to ensure our products and services meet the standards set out in the Web Content Accessibility Guidelines (WCAG 2.2) and the upcoming European Accessibility Act (EAA).

REACHING
194,000
PEOPLE IN 2023*

PEOPLE PLANET PROGRESS (PPP) FESTIVAL

In November 2023, we welcomed 1,349 colleagues to our annual PPP festival, with the overarching objective of inspiring colleagues to reshape the way we work, think and live our lives. Engaging in a diverse array of activities and information sessions (13 in total), attendees explored ways to make a positive impact on both people and the planet.

Annually, as part of the festival, we hold a competition where colleagues are challenged to submit ideas for improving sustainability in our organisation. In 2023, the winning idea involves reducing the unnecessary shipping of return packages – potentially saving thousands of kilograms of cardboard – by giving customers the choice of requesting a return box (or using their own packaging) rather than VodafoneZiggo automatically sending them to customers.

* In 2020, we set ourselves the ambition of enabling two million people to progress in society by 2025. While we have achieved significant progress – reaching 194,000 people in the year 2023 – we will instead adopt yearly objectives and key results (OKRs) with clear focus areas from 2024 onwards. This will enable us to concentrate on the impact we have on individuals rather than on the numbers they represent.

Diverse, equitable and inclusive workplace

At VodafoneZiggo, we strive to create a safe work environment, where talented people of all backgrounds feel able to participate, to be their true selves and to use their different perspectives to power progress within and beyond our organisation. This not only strengthens the well-being of our employees but also significantly enhances organisational performance.

FOCUS AREAS

Networks	Equity	Society
Fostering inclusive connections within our organisation – for example, through our Open Up dialogue, our diversity, equity and inclusion (DE&I) survey and training activities and our employee resource groups.	Embedding equity in everything we do – for example, through inclusive hiring and language and by creating career opportunities for people who face extra difficulties in the workplace.	Extending our reach and impact in society – for example, through our partnerships with Pride Utrecht, Refugee Talent Hub, Hersenstichting and more.

HOLDING OURSELVES TO HIGH STANDARDS

We adhere to the 'Quotumwet' and 'Banenafspraak' ('Quota law' and 'Jobs agreement') to promote workplace diversity. In line with the Social Return on Investment (SROI) approach, we fulfil our obligations under the Tender Act and the contracts we enter into.

WOMEN IN TOP MANAGEMENT
39%

WOMEN AT VODAFONEZIGGO
29%

PEOPLE EMPLOYED WITH A CHALLENGE TO WORK
136

PARTNERSHIPS

Through strong partnership, we extend our reach and impact in society.

See *Social partners*.

Environmental impact

As a purpose-led company, we take responsibility for our impact on the environment – the impact not only of our own operations (Scope 1 and 2), but also of our entire value chain (Scope 3). Following sector best practices, VodafoneZiggo has set short-term environmental targets aligned with the Paris Agreement — aimed at limiting global warming to 1.5°C above pre-industrial levels - and approved by SBTi (Science Based Targets initiative). But our goals do not end there: we aim to reach net-zero emissions in Scope 1 and 2 by 2030 and in Scope 3 by 2050. To reach these ambitious – yet necessary – targets, we must act quickly to change our business and the way we operate.

FOCUS AREAS

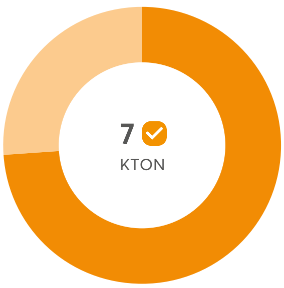
Energy	Products	Circularity	Mobility	Value chain
Reducing energy consumption and improving energy efficiency – for example, by decommissioning redundant electronic equipment, using AI, machine learning and automation to switch off parts of our network outside peak hours, reusing heat from our data centres and installing smart building management systems.	Developing and delivering more sustainable products to our customers – for example, by using recycled materials, identifying energy-saving opportunities in the products we provide to our customers, phasing out energy-intensive legacy products and designing smaller, plastic-free packaging.	Advocating for and enabling a more circular life cycle for our products – for example, by encouraging our customers to trade in their mobile phones and hand in end-of-life equipment to our partners, reusing or recycling our electronic equipment and IT hardware and refurbishing our new generation fixed-network devices.	Lowering the environmental impact of our business-related transport – for example, by developing a new mobility policy and electrification targets, by improving our journey planning algorithm, by rolling out alternative, greener mobility solutions (e-vehicles and e-bikes) and by offering an NS Business Card to all employees.	Collaborating with our upstream – and downstream partners to improve the sustainability of the wider industry – for example, by engaging our main vendors in regular sustainability discussions, including environmental impact requirements in tenders, onboarding our main vendors on EcoVadis and working with suppliers on corrective action plans.

HOLDING OURSELVES TO HIGH STANDARDS

We use existing mechanisms and best practices to align with market expectations and drive change internally. We have developed, for example, a sustainable finance framework, issuing our first Sustainability-Linked Bond (amounting to €2.1 billion) in 2022. VodafoneZiggo also aligns with international standards (such as the EU's Energy Efficiency Directive and the Greenhouse Gas Protocol) and strives to earn recognised certifications.

In 2023, 100% of our locations were certified to ISO14001 and we were awarded a second consecutive EcoVadis Gold Medal. Furthermore, we voluntarily compensate 100% of our Scope 1 and 2 CO_2 emissions by investing in Turkish wind farms through Gold Standards carbon credits, one of the most stringently safeguarded programmes available.

SCOPE 1 + 2
CO_2 EMISSIONS IN 2023



- 74% Business travel
- 26% Gas, fuel and heating buildings and infrastructure

Baseline = 2018

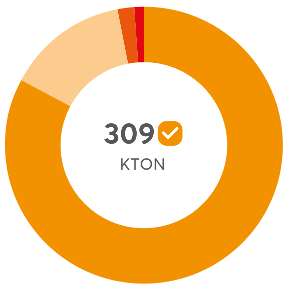
Short-term target: -50% CO_2 emissions by 2025 *(approved by SBTi)*

Offset = 100% with Gold Standards

Progress towards targets = -48% in 2023

Long-term target: Net-zero emissions by 2030 *(commitment letter submitted to SBTi)*

SCOPE 3
CO_2 EMISSIONS IN 2023



- 83% Downstream leased assets
- 14% Purchased goods and services
- 2% Use of sold products
- 1% Other

Baseline = 2018

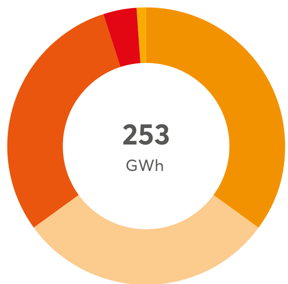
Short-term target: -50% CO_2 emissions by 2025 *(approved by SBTi)*

Offset = N/A

Progress towards targets = -43% in 2023

Long-term target: Net-zero emissions by 2050 *(commitment letter submitted to SBTi)*

ELECTRICITY CONSUMPTION 2023



- 35% Network mobile
- 30% Network fixed
- 30% Data centres and infrastructure
- 4% Workplace
- 1% Retail

Baseline = 2020

Energy Efficiency Plan: 2% more energy efficient per year *(aligned with the Energy Efficiency Directive)*

Guarantee of Origin = 100% of our electricity use *(from EU Wind electricity)*

Electricity consumption: -2% *(compared to 2022)*

Long-term target: Net-zero emissions by 2030

The indicators that fall within the scope of limited assurance of our external auditor are marked with the ✓ symbol.

Stakeholder interaction and materiality

In this Integrated Annual Report, we report on the topics that matter to our company and our stakeholders. In 2023, we carried out our first double materiality assessment to determine these topics, marking the next step in our sustainability reporting journey.

We regard our stakeholders as those groups who are impacted by our actions or who have an impact on us (or both). Accordingly, VodafoneZiggo has identified seven main stakeholder groups: our customers, employees, suppliers, the investor community as well as the wider industry, the government and society at large. It is important for us to maintain ongoing contact with these groups, so we know what is going on in their world and what role they see for VodafoneZiggo. For more information on how we engaged with these stakeholders in 2023 and on what topics, see *Stakeholder table*.

FROM SINGLE TO DOUBLE MATERIALITY

VodafoneZiggo has been conducting materiality assessments via stakeholder surveys and other inputs since 2021. In 2023, we took the next step in our sustainability reporting journey, carrying out our first double materiality assessment. Our aim was to identify, understand and rank the material Impacts, Risks and Opportunities (IROs) related to the ESG topics considered relevant to VodafoneZiggo. For each topic, we approached the analysis from two perspectives:

- **Impact materiality:** our company's actual or potential material impact (either positive or negative) on the environment and society in which we operate.
- **Financial materiality:** the financial risks and opportunities for our company and our ability to generate enterprise value, that are associated with the topic.

The double materiality assessment process consisted of five phases.

PHASE 1: CURRENT STATE ASSESSMENT

We began by researching VodafoneZiggo's current state and external context, including comprehensive desk research. As well as consulting internal documents, international ratings and standards and the materiality analyses of selected peers, considered the topics and sub-topics from the European Sustainability Reporting Standards (ESRS), in line with requirements of the Corporate Sustainability Reporting Directive (CSRD). We consolidated the outcomes of this research into a draft shortlist of 17 potential material ESG topics for our business (see *chart on next page*).

PHASE 2: VALUE CHAIN MAPPING

In this phase, we determined where IROs might occur in VodafoneZiggo's value chain. We used internal documents and interviews with the project team to categorise our value chain relationships into upstream, operational and downstream activities.

PHASE 3: UNDERSTANDING OUR IROS

The next step was to identify and understand the material (potential) IROs related to VodafoneZiggo's ESG topics. To this end, we reviewed internal documentation, relating to material matters, risk management framework and VodafoneZiggo's strategy, as well as industry-specific annual reports. We then interviewed relevant internal stakeholders to gather their views on each shortlisted topic's impact materiality and financial materiality and draft an extensive list of IROs per sustainability topic.

PHASE 4: REVIEW AND PRIORITISATION

In this phase, our internal stakeholders scored the identified IROs (positive and negative, actual, and potential) on severity and likelihood for impact materiality, and on size of potential financial effect and likelihood for financial materiality, according to defined thresholds. Through this exercise, we identified potential material sustainability topics and determined which of these topics are material based on the predefined threshold for materiality and should therefore be part of VodafoneZiggo's reporting obligations under CSRD.

PHASE 5: VALIDATION

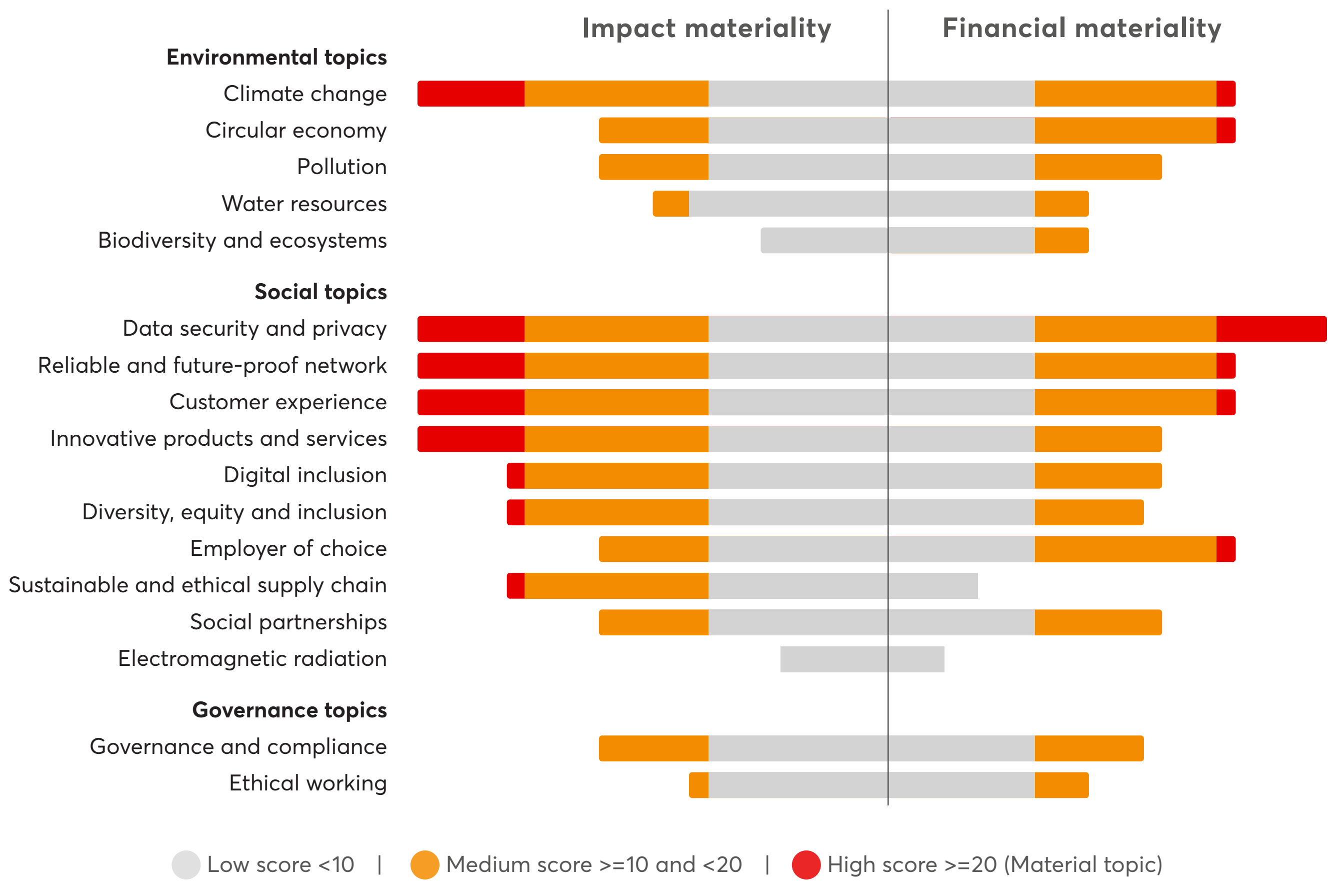
The final stage was securing leadership validation of the outcomes of our prioritisation activity. This took place through a validation session that was attended by representatives from VodafoneZiggo's Senior Leadership Team. Of the 17 shortlisted ESG topics, ten were deemed material for our business and hence subject to future CSRD reporting requirements. The remaining seven topics continue to be highly relevant for us, and we will continue to monitor them closely as the external and internal landscape evolves.

Material topic	Related ESRS topic
Climate change	E1 – Climate change
Circular economy	E5 – Resource use and circular economy
Employer of choice	S1 – Own workforce
Diversity, equity and inclusion	S1 – Own workforce
Sustainable and ethical supply chain	S2 – Workers in the value chain
Data security and privacy	S4 – Consumers and end users
Digital inclusion	S4 – Consumers and end users
Customer experience	S4 – Consumers and end users
Reliable and future-proof network	S4 – Consumers and end users
Innovative products and services	S4 – Consumers and end users

For the 2023 double materiality assessment, we considered external stakeholder perspectives during our internal validations. Through extensive interaction with external stakeholders (as summarised in the *Stakeholder table*), our internal stakeholders are aware of external perspectives and able to incorporate these in the double materiality assessment. VodafoneZiggo plans to engage external stakeholders in subsequent years to further reinforce the double materiality assessment. We continue our journey towards CSRD implementation and will reassess material topics in subsequent years. Therefore, the double materiality assessment is subject to new insights and potential changes going forward.

Our double materiality assessment resulted in several changes to VodafoneZiggo's list of material topics compared to 2022:

- 'Environmental performance' has been replaced by two more specific topics: 'Climate change' and 'Circular economy'.
- 'Data security and privacy for our customers' has become 'Data security and privacy'.
- 'Digital inclusion for everyone' has become 'Digital inclusion'.
- 'Putting the customer first' has become 'Customer experience'.
- 'Innovative products and services for society' has become 'Innovative products and services'.
- 'Financial performance' and 'Digital and transformative organisation' have been removed from the list in phase 1 of the double materiality assessment as these are not considered ESG topics.
- 'Governance and Compliance', 'Working ethically' and 'Electromagnetic radiation' are not material based on the double materiality assessment for 2023.



OUR MATERIAL TOPICS

The material topics referred to in this report, are presented below in connection to our strategic pillars. Topics 1 to 5 have been assigned the highest possible materiality score, either from the perspective of impact materiality or from the perspective of financial materiality. Topics 6 to 10, while still material, have been assigned a slightly lower materiality score.

SECURE & SEAMLESS CONNECTIVITY

1 RELIABLE AND FUTURE-PROOF NETWORK

Working with our partners on a reliable, innovative and future-proof network that is available to everyone.

2 DATA SECURITY AND PRIVACY

Protecting customers, consumers and companies against (cyber)crime and handling personal data in a responsible way.

ENDLESS ENTERTAINMENT

3 INNOVATIVE PRODUCTS AND SERVICES

Offering innovative products and services that connect people, help them move forward and enable them to participate in a digital society that is more secure, more efficient, healthier and cleaner.

BEST BUSINESS SOLUTIONS

3 INNOVATIVE PRODUCTS AND SERVICES

Offering innovative products and services that connect people, help them move forward and enable them to participate in a digital society that is more secure, more efficient, healthier and cleaner.

SMART DIGITAL EXPERIENCE

4 CUSTOMER EXPERIENCE

Putting customers first by listening to them and improving and developing existing and new products and services.

PROGRESS FOR EVERYONE

5 CLIMATE CHANGE

Reducing our negative impact on the environment to create a sustainable business and ensure operational resilience.

6 DIGITAL INCLUSION

Helping people learn digital skills to ensure that everyone in the Netherlands can participate in the digital society in a responsible way.

7 EMPLOYER OF CHOICE

Supporting employees in their personal development with training courses, individual guidance and attractive terms and conditions of employment. To achieve this, we also focus on having a positive impact on the health and safety of our employees and our environment.

8 DIVERSITY, EQUITY AND INCLUSION

Creating a diverse and inclusive working environment that reflects society and is a place where everyone feels safe and at home.

9 CIRCULAR ECONOMY

Advocating for and enabling sustainable growth by reducing waste and promoting the efficient use of resources through recycling and refurbishing of customer products and our own operations.

10 SUSTAINABLE AND ETHICAL SUPPLY CHAIN

Working with our partners to ensure we have an honest, ethical and sustainable purchasing and sales chain that addresses the rights and welfare of the workers in the chain.

"OUR PURPOSE – ENJOYMENT AND PROGRESS WITH EVERY CONNECTION – GUIDES OUR FOCUS ACROSS OUR FIVE STRATEGIC PILLARS."

Our role in the value chain

UPSTREAM: SUPPLIERS

BUILDING A FOUNDATION ON RESPONSIBILITY AND INNOVATION

Input

Our upstream processes lay the groundwork for VodafoneZiggo's operations, ensuring we have the necessary inputs to create connections and progress. Together with our trusted partners, we establish the foundations that empower us to deliver an exceptional experience. Through these collaborations, we create the network that forms the backbone of our connectivity, enabling us to reach millions of customers across the nation. We work with stakeholders and social partners to contribute to the communities where we operate. Meanwhile, our financial resources facilitate investments in our network, our team and our forward-thinking solutions.

The upstream value chain is not just about securing the materials and technologies needed to build and maintain a vast network infrastructure, but also about doing so responsibly and innovatively. Recognising the impact of climate change in areas such as raw material sourcing and manufacturing, we are committed to minimising our environmental footprint through sustainable practices, including sustainable and ethical purchasing (see *Impact of Purchasing*).

Diversity, equity and inclusion (DE&I) is central to our approach, particularly in the sourcing and manufacturing stages. VodafoneZiggo strives to create an inclusive supply chain that promotes fair labour practices and supports diverse communities. Furthermore, our commitment to a sustainable and ethical supply chain ensures that our partners share our values of integrity and sustainability, supporting our own dedication to ethical business practices.

Data security and privacy are built into our design and development processes. We recognise that data breaches can have significant consequences, and we therefore integrate security measures from the earliest stages of product development, ensuring our customers' data is protected.

OWN OPERATIONS

SUSTAINING EXCELLENCE THROUGH ETHICAL PRACTICES AND INNOVATION

Business model

Central to our operations is our robust network infrastructure, comprising transmitter masts, fibre nodes and underground cables. Our business model helps us create value through products and services we deliver to our business-to-consumer (B2C) and business-to-business (B2B) markets.

Our diverse human capital, characterised by knowledge, experience and dedication, puts our strategy into action. Meanwhile, we aim to use natural resources (such as energy) sustainably when developing our networks, staffing our offices and offering our products.

Our purpose – enjoyment and progress with every connection – guides our focus across our five strategic pillars:

Secure & Seamless Connectivity
We ensure that our customers enjoy uninterrupted, secure online experiences.

Endless Entertainment
Our platforms provide a wide range of entertainment options, catering to different customer interests.

Best Business Solutions
We offer tailored solutions to businesses, enhancing their operational efficiency and competitiveness.

Smart Digital Experience
Through innovation, we facilitate smart, intuitive digital interactions for our customers.

Progress for Everyone
We are committed to contributing to societal advancement, ensuring inclusivity and access for all, while mitigating our negative environmental impact.

Our business model is designed to address the evolving needs of both B2C and B2B markets, leveraging our organisational structure to manage risks and uphold ethical standards. This approach strengthens not only our market position but also our culture of continuous improvement and innovation.

In our own operations, we address the impact of climate change head-on, especially in network operations and customer premises equipment. As a telecom operator, we understand the energy-intensive nature of our business.

We are investing in renewable energy sources and exploring innovative technologies to make our network operations more environmentally sustainable. Our efforts extend to promoting circularity, where we aim to reduce waste and encourage recycling and reuse across our operations.

The principles of DE&I and being an employer of choice are embedded in VodafoneZiggo's culture. We are committed to creating inclusive workplaces where diversity is celebrated and every employee feels valued and empowered. This commitment is reflected in our employer branding, thereby helping us attract and retain top talent.

Data security and privacy remain critical as we develop new products and services. We ensure that our operations uphold the highest standards of data protection, safeguarding our customers' information against emerging threats. Customer experience is at the heart of our own operations, and we therefore continuously enhance our network maintenance and operations to deliver unparalleled service quality, reliability and customer satisfaction.

By providing innovative products and services, we aim to address the evolving needs of society, ensuring that everyone benefits from advancements in technology. Digital inclusion and accessibility are guiding principles in our efforts, driving us to develop solutions that make digital technology accessible to everyone and help close the digital divide. Helping people and making society stronger are core pillars of our mission, as we invest heavily in the digital future – and particularly in our fast, reliable, and future-proof network. This infrastructure is the foundation upon which we build our innovative solutions, enabling us to deliver exceptional experiences to our customers.

"WE ARE COMMITTED TO CREATING WORKPLACES WHERE DIVERSITY IS CELEBRATED AND WHERE EVERY EMPLOYEE FEELS VALUED AND EMPOWERED."

DOWNSTREAM: CUSTOMERS

ENSURING A SUSTAINABLE AND INCLUSIVE DIGITAL FUTURE

Output
Our commitment translates into tangible outcomes, with our reliable and future-proof network at the forefront. These networks support millions of daily connections, underpinning the digital economy and strengthening the fabric of our society. Initiatives like the roll-out of the energy-efficient Mediabox Next Mini underscore our dedication to sustainability and enhanced customer experiences.

Furthermore, our focus on reducing our environmental footprint and maintaining our strong financial performance drives ongoing investment not only in our networks but also in our team, helping us provide an inclusive and supportive workplace culture.

Impact
Our efforts have a significant positive impact on society. By keeping the Netherlands connected, we facilitate digital interactions and contribute to a healthier, greener and safer society. Our strategy is aimed at creating long-term value for all stakeholders.

Through our adherence to the UN Sustainable Development Goals (SDGs), we actively participate in bringing to life the vision of a brighter future. From upstream to downstream, our value chain embodies our dedication to progress, innovation and sustainability, ensuring we remain a leader in the telecom landscape.

In the downstream phase of our value chain, we focus on minimising the environmental impact of our products and services from deployment to disposal. We implement strategies to extend the life cycle of our products, refurbish them where possible and promote trade-in or responsible disposal practices, contributing to a more sustainable and circular economy.

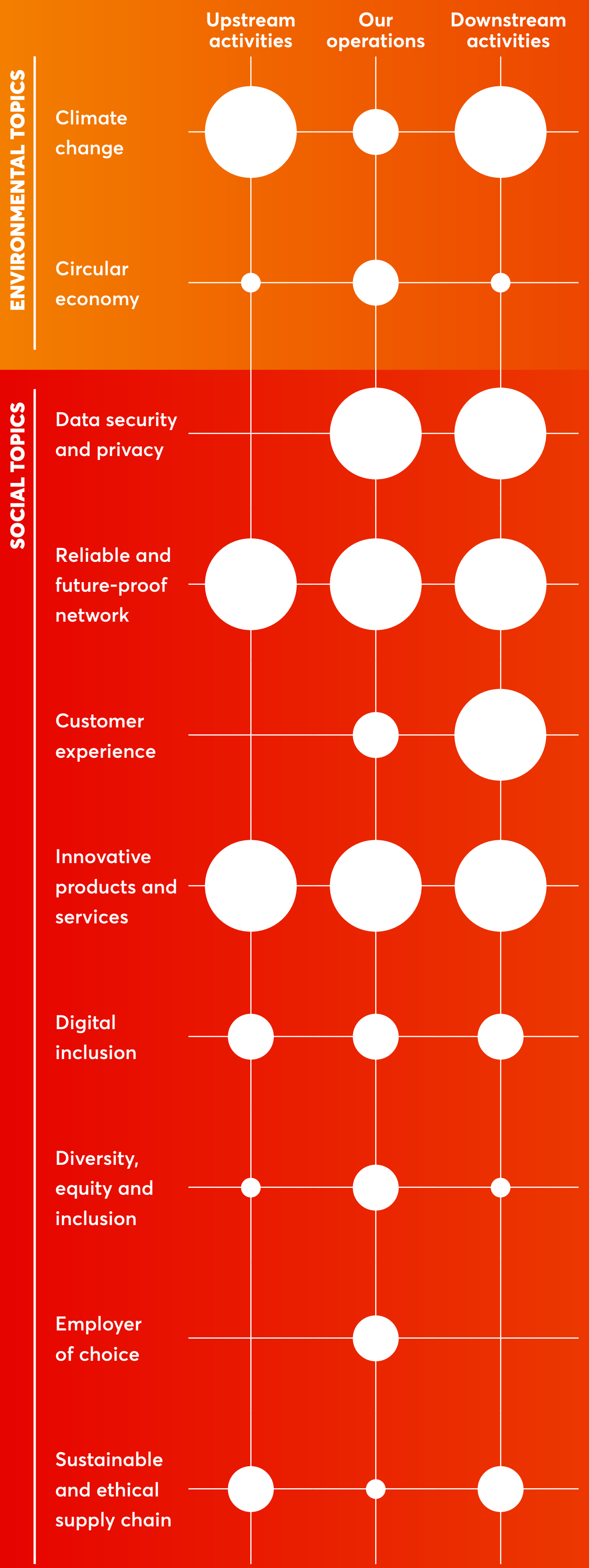
Our approach to distribution and product use is grounded in sustainability and ethical practices. We strive to make our distribution processes as efficient and low impact as possible, reducing carbon emissions and waste. Data security and privacy remain key during the product use phase: we ensure our products offer robust security features, protecting our customers' data and privacy.

The customer experience is crucial in the downstream phase. We aim to provide services that not only meet but exceed customer expectations around quality, reliability and security. This is a cornerstone of our brands, building trust and loyalty among our customers.

We also recognise the importance of digital inclusion. We work to ensure that our products and services are accessible to all, breaking down barriers to digital access and promoting a more inclusive society. Through these efforts, we not only contribute to a healthier, safer and more connected society but also play our part as a responsible and forward-thinking telecom operator, committed to advancing society through technology.

STAKEHOLDERS
Whether it is customers, partners, suppliers or the government, VodafoneZiggo makes communication possible for the Netherlands. We regard anyone we impact with our actions or who impacts us as a stakeholder, and we are committed to maintaining consistent contact with them. We want to know what is going on in their world and what role they envision for VodafoneZiggo, taking their insights and using them to shape our strategic priorities, material topics and the SDGs to commit to. The *Stakeholder table* in the *Additional information* section provide more information about the dialogues we had with our stakeholders in 2023, the frequency of those discussions and the topics we addressed.

IMPACT OF OUR MATERIAL TOPICS IN THE VALUE CHAIN



Low Medium High

Comments

The manufacture, transport, use and end-of-life of our products consume a lot of energy and generate greenhouse gas (GHG) emissions. On the other hand, climate change affects our supply chain and infrastructure resilience as well as our raw material sourcing ,while also disrupting service provision and customer demands. Financially, mitigating climate risk is essential for operational continuity and meeting evolving market needs.

Embracing circular economy principles enhances resource efficiency (particularly when sourcing materials or products) and reduces waste (especially when products reach their end-of-life phase). E-waste management affects us by influencing product design, recycling logistics and regulatory compliance. Financially, embracing circularity principles lowers costs, enhances brand reputation and aligns with regulatory trends, fostering long-term profitability and resilience.

Ensuring data security and privacy involves implementing robust cybersecurity measures to maintain resilience against evolving threats. Protecting customer data builds trust and loyalty. Cybersecurity breaches can result in financial losses, reputational damage and regulatory penalties.

Our network is among the best in the world. To remain reliable and future-proof while ensuring the best customer experience, we work with partners to continuously improve our network with innovative and efficient solutions. We invest heavily in upgrading our network to strengthen its reliability and grow customer satisfaction, hence reducing churn and supporting long-term revenue growth.

Delivering on our purpose requires us to understand customer needs for product and service development, while focusing on service quality and responsiveness. This, in turn, influences customer satisfaction and loyalty. Prioritising the customer experience drives revenue growth, reduces churn and enhances brand reputation, fostering long-term profitability.

Through our innovative products and services, we offer our customers enjoyment and progress with every connection. This ambition requires us to research and develop cutting-edge solutions with our partners. Enabling our customers to participate fully in the digital society builds customer satisfaction and loyalty, differentiating us in the market. Meanwhile, investing in innovation leads to revenue growth, market expansion and sustained competitiveness, ensuring long-term financial success.

Eradicating the digital divide requires us to develop accessible products and services, enable access to connectivity for everyone and equip everyone with the right skills to participate in the digital society. Prioritising digital inclusion enhances market reach, customer engagement and long-term profitability, aligning with social responsibility and regulatory expectations.

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Being an employer of choice attracts top talent, boosts employee satisfaction and, consequently, improves productivity. Investing in our workforce's well-being and development reduces turnover costs, improves retention and drives innovation, leading to long-term growth and profitability.

Ensuring sustainable sourcing (to mitigate climate change and improve resource efficiency) and safeguarding labour and human rights in our value chain is paramount. Through transparency and compliance, we enhance customer trust and satisfaction. We build robust relationships with our suppliers founded on trust, which mitigates risk, improves efficiency, and supports long-term resilience and profitability.

Sustainable Development Goals

VodafoneZiggo recognises the importance of the 17 Sustainable Development Goals (SDGs) for 2030 set by the United Nations (UN). Having identified the seven SDGs where we believe we can make the biggest impact, we have linked these to our Progress for Everyone strategic pillar and our Sustainable Finance Framework.

As VodafoneZiggo, we selected seven Sustainable Development Goals (SDGs) and intend to make an active contribution in those areas. Those objectives are linked to our Progress for Everyone strategic pillar. In addition, the SDGs also form part of our Green Bond Framework and the Sustainable Finance Framework.

SDG 4: QUALITY EDUCATION

We work with our partners to develop special teaching programmes to enable young people and senior citizens to acquire the digital skills they need to be safe online and to make the most of the digital world. In addition, we organise workshops at our offices where we introduce children to the opportunities offered by the technology sector.

SDG 5: GENDER EQUALITY

By promoting and actively working on gender diversity in our leadership and the way we work, we champion gender equality. The result of this is a diverse workforce that can take on the challenges of a diverse society, promoting equal opportunities, and setting a precedent for inclusivity and gender balance in the corporate world.

SDG 7: AFFORDABLE AND CLEAN ENERGY

Our networks, offices and shops all consume energy. We invest continuously in energy efficiency equipment and software. Since 2016, we have purchased renewable Guarantees of Origin for 100% of the electricity used by our network, buildings and infrastructure, hence contributing to the energy transition in the EU. In 2023, for the first time, we also purchased these guarantees for the electricity use of our electric vehicle (EV) fleet.

SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

VodafoneZiggo deploys, operates and maintains high-quality infrastructure and – in collaboration with our parent companies – uses AI, automation and machine learning to drive innovation. In this way, we are making our network resilient, future-proof and environmentally sound. In 2023, we invested more than €600 million in these endeavours. From a social perspective, our goal is to make our technology and innovative solutions accessible to everyone and help eradicate the digital divide.

SDG 10: REDUCED INEQUALITIES

We want our employees to feel at home with us and able to use their talents to their full potential. We therefore actively work to provide a safe working environment in which everyone – regardless of gender, sexual orientation, disability, origin or religion – can be themselves. Together with our partners, we are also working to ensure that everyone can benefit from our digital society, by providing digital skills programmes and by making our digital services and products accessible to everyone.

SDG 11: SUSTAINABLE CITIES AND COMMUNITIES

Thanks to the Internet of Things (IoT) solutions enabled by VodafoneZiggo's networks and technologies, cities can now be made more efficient, safer and more sustainable. As well as helping to create these so-called smart cities, we are adjusting our ways of working and our infrastructure to help mitigate air and noise pollution and reduce the environmental impact of cities.

SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

We are constantly working to deliver more sustainable products and services and use resources more responsibly. As such, we engage with our vendors on developing more energy-efficient products made with recycled materials, and with our logistics partners on collecting and refurbishing used devices. Furthermore, we strive to reduce waste by eliminating plastic when possible and designing more compact packaging. Finally, we support circularity by giving a second life to redundant parts of our network through a specialised marketplace.

Connectivity table

Strategic pillar	Material topic	Indicator	Target 2023	Result 2023	Result 2022	SDGs
SECURE & SEAMLESS CONNECTIVITY	1 Reliable and future-proof network	Availability of fixed network (%)	99.90	99.98	99.97	9 11
		Availability of mobile network (%)	99.70	99.79	99.79	
	2 Data security and privacy	Number of data breaches that we reported to the Dutch Data Protection Authority (#)	–	36	54	

Strategic pillar	Material topic	Indicator	Target 2023	Result 2023	Result 2022	SDGs
ENDLESS ENTERTAINMENT	3 Innovative products and services	Active Ziggo Go users (%)	47	41	41	
		Customers with the newest generation TV watching experience (# in million) (1)	1.83	1.79	1.21	
		SmartWifi pods provided to customers (# in million) (2)	3.0	3.0	2.6	

Strategic pillar	Material topic	Indicator	Target 2023	Result 2023	Result 2022	SDGs
BEST BUSINESS SOLUTIONS	3 Innovative products and services	IoT subscribers in the Netherlands (#SIMs in million)	2.2	2.3	2.1	9 11

Strategic pillar	Material topic	Indicator	Target 2023	Result 2023	Result 2022	SDGs
SMART DIGITAL EXPERIENCE	4 Customer experience	Brand NPS Ziggo Consumer ✓	4	-1	2	
		Brand NPS Vodafone Consumer ✓	21	18	16	
		Brand NPS Ziggo Business ✓	-6	-7	-11	
		Brand NPS Vodafone Business ✓	5	6	0	
		Brand NPS hollandsnieuwe ✓	30	35	25	

Strategic pillar	Material topic	Indicator	Target 2023	Result 2023	Result 2022	SDGs
PROGRESS FOR EVERYONE	5 Climate change	CO_2 emissions Scope 1, 2 and 3 (in kTon) ✓	279 (target 2025)	315	390	7, 12
		CO_2 reduction compared to base year 2018 (for Scope 1, 2 and 3) (%)	50 (target 2025)	44	30	
	6 Digital inclusion	People helped to progress (# in thousands)	235	194	225	4, 10
	7 Employer of choice	Employee engagement score	80	77	76	
	8 Diversity, equity and inclusion	People employed with a challenge to work (#)	–	136	115	10
		Women in top management (%) ✓	35 (target 2025)	39	34	5
		Women at VodafoneZiggo (%) ✓	30	29	27	
	9 Circular economy	Returned Ziggo equipment (%)	–	90	87	12
	10 Sustainable and ethical supply chain	Main suppliers in EcoVadis (#)	300	298	276	9, 12

The indicators that fall within the scope of limited assurance of our external auditor are marked with the ✓ symbol.

[1] Change in definition compared to previous year regarding focus on hardware instead of software. See *Glossary* for full definition.

[2] Change in definition compared to previous year regarding focus on net number of pods delivered, considering the returned pods. See *Glossary* for full definition.

Secure & Seamless Connectivity

SECURE & SEAMLESS CONNECTIVITY

INDICATOR	SDGs	TARGET 2023	RESULT 2023	RESULT 2022
Availability of fixed network (%) ✓	9 11	99.90	99.98	99.97
Availability of mobile network (%) ✓	9 11	99.70	99.79	99.79
Number of data breaches that we reported to the Dutch Data Protection Authority (#) ✓		–	36	54

The indicators that fall within the scope of limited assurance of our external auditor are marked with the ✓ symbol.

Reliable and future-proof networks

People increasingly spend more time using fixed and mobile digital connections to work, relax and keep in touch. Meanwhile, our homes and offices are increasingly equipped with smart devices. All this means that demand for secure, reliable and stable connections keeps on growing – and at VodafoneZiggo, we fulfil this demand by continuously improving and investing in our network infrastructure, driven by our commitment to enabling an exceptional experience.

KEEPING PEOPLE CONNECTED

In 2023, continuing the trend from previous years, data consumption in both our mobile and fixed networks increased by around 30%. This growth is being driven by the combination of our customers' ever-more intensive internet use, the high rates of home and hybrid working, the increasing number of devices connected to the Internet of Things (IoT) and the rise in the quantity and quality of online video calls and content. Demand peaked at 12.1 Tbps during the Mexico Grand Prix in October; another record for VodafoneZiggo.

To meet the demand for greater capacity, security and coverage, we invest significantly in continuously upgrading our networks and our SmartWifi solutions. Our goal is always to deliver an exceptional customer experience and enable Progress for Everyone, thanks to our high-quality connections and unmatched products and services – supporting customers whether they are at work or leisure.

BOOSTING STABILITY AND CAPACITY

In our fixed and mobile networks, 2023 marked the end of a three-year programme to enhance the stability of our infrastructure. Focusing on five key topics (network architecture, IT, operations, B2B services and culture), this project has resulted in 50% fewer outages in our mobile and fixed network versus 2020 and 30% less time needed to fix outages that do occur. We also recorded a near 80% reduction in the number of change-related incidents – caused during planned updates to our systems – in 2023 compared to 2020. We are now transferring our new knowledge and solutions to the relevant teams across our organisation.

EXCEEDING CUSTOMER NEEDS

While 97% of our fixed internet signal is transmitted via fibre optic cables, we use coaxial cables in the so-called last mile of our connections. We completed our move to DOCSIS 3.1 in 2023. Importantly for our customers and the environment, this means we can provide download speeds of 1 Gbps – around ten times more than is required by the average household – without inconveniencing residents or burdening the environment by digging up the street outside people's front doors. For more information on how we are making our network more sustainable, see *Environmentally friendly working*.

The availability of our fixed network improved again in 2023, reaching 99.98% (2022: 99.97%). We will make further capacity upgrades in 2024, with an eye on eventually transitioning to DOCSIS 4.0 technology.

QUALITY YOU CAN RELY ON

Turning to our mobile solutions, we took an important step forward on network slicing for Vodafone's business customers in 2023. Thanks to 5G technology, we can now reserve a slice of our mobile network for specific customers, guaranteeing a high quality of service. This paves the way for guaranteed quality of service via network slicing for consumers, an offering that will become indispensable once augmented reality and virtual reality gain a secure foothold in the gaming market. In the meantime, the availability of our mobile network was 99.79% in 2023, in line with the previous year.

PROTECTING OUR NETWORK, CUSTOMERS AND SOCIETY

With the global risk of cyberattacks rising and the number of specific threats to our network increasing, we continued to make ongoing improvements to the protection of our processes and systems in 2023, including by closely monitoring our Cybersecurity Baseline (see *Data security and privacy for customers and employees*).

NEVER MISS A CONNECTION
In 2023, we started the project to improve our mobile network coverage at and around train stations and railways in the Netherlands. This three-year project will ensure our customers can stay connected even in peak times.

In particular, we aim to build new transmission masts and install additional antennae at existing locations, as well as further optimising our network settings and boosting coverage in tunnels. Altogether, these improvements mean our antennae along some 69 different railway routes will work better and more quickly together, contributing to a more positive travel experience for customers on the go.

We also engaged with our partners and vendors on a range of cybersecurity issues and solutions. At VodafoneZiggo, we recognise that we are only as strong as the weakest link in our value chain, and we take seriously our duty to work with our ecosystem to protect not only our customers and our business but also wider society.

PREDICTIVE MAINTENANCE
In 2023, we began using artificial intelligence (AI) to carry out predictive maintenance on the VodafoneZiggo network. By gathering a large pool of data from customers' set-top boxes and modems and from our network itself, we can better understand how our infrastructure is performing, more efficiently predict maintenance needs and anticipate any outages. In turn, this enables us to solve any issues before they can have an impact, helping us provide an exceptional customer experience without our customers even realising.

NETWORK-AS-A-SERVICE
At VodafoneZiggo, we are embracing the advantages of automation where we believe it can support our operations – whether by increasing simplicity and efficiency or by reducing opportunities for human error. In 2023, our main automation activities revolved around our Network-as-a-Service (NaaS) programme, aimed at helping our colleagues respond more quickly to the needs of business customers.

Among other things, NaaS enables e-care solutions that allow customers to personalise their network environment through a portal, with no need for an engineer visit. It also supports better life-cycle management, rolling out automatic updates that ensure customers' software and services are seamless, reliable and efficient.

POWERING THE FUTURE
Over the coming years, we are determined to maintain our position as a leading network provider in the Netherlands, which is itself home to one of the best national networks in the world. More importantly, we aim to keep delivering what customers really need: secure and seamless connectivity, everywhere, at all times.

For example, as people add more WiFi-enabled devices to their homes, we will increase training for our engineers and contact-centre teams so they can better support customers who run into connection difficulties in their in-home IoT environment. We have also identified eight key focus areas that will drive our mobile network improvements in 2024 and beyond.

8 MOBILE THEMES

CRITICAL COMMS
Acquiring skills and capabilities for a **mission critical network**

STABILITY
Our network and services must work **all the time**

SECURITY
Our network and services must be **totally secured**

COVERAGE
Our network and services must work **everywhere**

AUTOMATION
Embracing automation for **higher quality and shorter time to market**

CLOUD
Transitioning to a **Cloud-Native Environment**

SIMPLIFICATION
Our network and services should be **simple and efficient**

5G
Offering advanced services and efficient **capacity expansion**

Data security and privacy for customers and employees

As a telecom company, we are responsible for handling and protecting the personal data of millions of customers, as well as of our own employees. We use this information to power progress and create connections – but if data is not properly managed, these connections can amplify potential negative impacts. At VodafoneZiggo, data security and privacy are a top priority.

THE BIG PICTURE

The immense opportunities of digitalisation are balanced by the risks that come with greater connectivity and access to people's data. In 2023, we continued to take the utmost care to limit these risks and put in place mitigating measures for the protection of our customers, employees and business. At all times, we keep a close eye on the digital landscape around us – for example, monitoring the rise of AI and its potential impacts on privacy and security – as well as preparing to comply with upcoming European legislation, such as the AI Act and the Corporate Sustainability Due Diligence Directive (CSDDD).

ONGOING ACTIVITIES

The specialists in our central Privacy Office are supported by the privacy champions integrated within different areas of our organisation. Meanwhile, all new joiners receive privacy and security training during their onboarding process. Our business units are also encouraged to carry out 'privacy quick scans' on new initiatives, to identify potential privacy impacts and decide whether a more in-depth assessment is needed. If so, VodafoneZiggo's Privacy Office and Legal team step in to carry out a thorough review of the product or service.

Under our Security First programme, we implement measures to protect against phishing, smishing and other types of cybercrime; for instance, by blocking emails and SMS messages that fail to meet our security requirements. If anything slips through our safeguards, we isolate it from the wider network to minimise any negative impacts. We also continuously monitor the web for any threats so we can react when necessary, as well as using dual-factor authentication for customer email accounts and for our My Vodafone and Mijn Ziggo platforms.

NEW DEVELOPMENTS

In addition to our ongoing activities, we made important progress on new privacy and security projects in 2023. By the end of the year, we were close to finalising new organisation-wide controls in line with the Cybersecurity Baseline developed by our parent company, Vodafone Group. This internal metric helps us monitor the strength of our security controls and protocols, in line with the Dutch government's regulation on telecom security and integrity ('Regeling veiligheid en integriteit telecommunicatie').

We also successfully migrated to a new data-processing programme, improving the protection of customer and employee information. Moreover, the security updates we made to our many website domains earned us a 100% rating – a national first – from Internet.nl, which continuously monitors our performance.

Meanwhile, we set up a multidisciplinary AI Taskforce to monitor our use and development of AI technologies, including large language models and generative AI. From data privacy and information security to energy consumption and intellectual property, the full implications of these emerging tools are still becoming clear – which is why VodafoneZiggo is committed to building a robust governance process that ensures we can capture the opportunities without exposing our stakeholders to unacceptable risks.

SECURITY STARTS AT HOME

For VodafoneZiggo, cybersecurity is not just an IT issue: it is closely linked to our culture and workplace behaviour. Our goal is to create awareness of the link between ethical working practices and cyber risks; after all, we all have a role to play in protecting our network and the data we are entrusted with. As the number of external attacks rises, we aim to ensure our internal environment is as robust as possible, prepared to meet any threats.

With such a large group of employees having access to so much data, we recognise that there is a greater risk of privacy and security problems, whether inadvertent or otherwise. It is therefore up to us to train our employees on how to handle data appropriately and reduce the risk of our colleagues contributing to a cybersecurity incident. Two of our biggest focus areas in 2023 were insider threats and internal behaviours.

We also completed multiple rounds of our sophisticated phishing simulation during the year. Colleagues who clicked on a suspicious link in our test email were automatically enlisted in two further mandatory courses. Our research shows that this initiative improves people's alertness to threats and, over time, reduces the number of clicks on our phishing bait. We also held training activities tailored to specific and organised targeted data-protection learning sessions for developers and analysts.

CUSTOMERS IN CONTROL

Our customers retain control over their data via a personal privacy dashboard, where they can request an overview of their personal data or ask for (part of) it to be deleted. In 2023, we updated VodafoneZiggo's online privacy statement to better inform customers about how and why we process their data. We also let our customers choose whether they are happy for us to use their data to help them proactively with any connectivity problems that arise (see *Seamless on all devices*).

Receiving individual consent around data use in this way is crucial, but it can be difficult to demonstrate. We aim to tackle this challenge by applying metadata – such as timestamps – to all consent confirmations, meaning we can more easily refer to specific cases if a customer asks us to. Government and investigative authorities also sometimes ask us to share customer data with them. A special team evaluates all such requests, and we only comply if required to do so by law or in accordance with a court order.

Where we deem it necessary, we defend the privacy rights of our customers in court. In 2023, for instance, Ziggo was again asked by Brein to forward warning letters to customers suspected of copyright infringement. We once again took this matter to the court of appeal, aiming to protect our customers' rights to the best of our ability.

JOINING FORCES

Our digital systems and data are part of a much larger network that stretches across our industry and beyond. We work closely with our IT suppliers and other partners to ensure all tools and practices meet the highest possible security and privacy standards.

In 2023, for instance, when we launched a new Health-e service enabling customers to access medical advice via a third-party app, we took precautions to ensure we cannot access data for which we are not licensed. VodafoneZiggo also carried out a penetration test on the app: although we are not directly responsible for the app, we facilitate our customers in using it and therefore have a duty to protect them.

On a national level, we keep in regular contact with the Dutch Data Protection Authority (DPA). We aim to build trust by reporting data breaches, consulting Dutch DPA on key topics and providing an in-control statement. VodafoneZiggo is also part of a large group of companies and governmental authorities that conducts crisis simulation activities, testing our collective and individual preparedness to ensure business continuity and security under pressure.

DATA BREACHES

In today's digital world, and despite the advances in mitigatory measures, it is inevitable that data breaches occur from time to time. We define a data breach as a breach of security leading to the accidental or unlawful destruction, loss, alteration or unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed. In 2023, the application of 'lessons learned' from previous incidents led to a decline of around 30%; 36 of such incidents were reported to the Dutch DPA.

When a breach forms a high risk to the rights and freedoms of our customers, employees or other stakeholders, we inform them. In March 2023, for example, when a supplier of Blauw Research, a market-research agency used by VodafoneZiggo, suffered a breach, we notified our customers about the incident so they could take protective measures. We also informed the Dutch DPA, which has since praised our swift response as an example of best practice in such a situation.

ELECTROMAGNETIC FIELDS

VodafoneZiggo strives to provide a high-quality network with nationwide coverage, keeping everyone connected, wherever they may be. However, we are aware of questions in society regarding electromagnetic fields caused by mobile networks. As a supplier of this vital infrastructure, we comply with external standards and implement stringent policies to guarantee a mobile network that is safe for people and the environment.

A WIDE RANGE OF STAKEHOLDERS

The subject of electromagnetic fields concerns many parties, including government entities – such as the State Inspectorate for Digital Infrastructure (RDI) and the National Institute for Public Health and the Environment (RIVM) – the International Commission on Non-Ionising Radiation Protection (ICNIRP), our parent companies Vodafone Group and Liberty Global, the association of network operators Monet, the media and Dutch citizens. VodafoneZiggo is a member of the Nederlands Elektrotechnisch Comité (Dutch Electrotechnical Committee), which is responsible for, among other things, drawing up additional standards governing how exposure is measured or calculated.

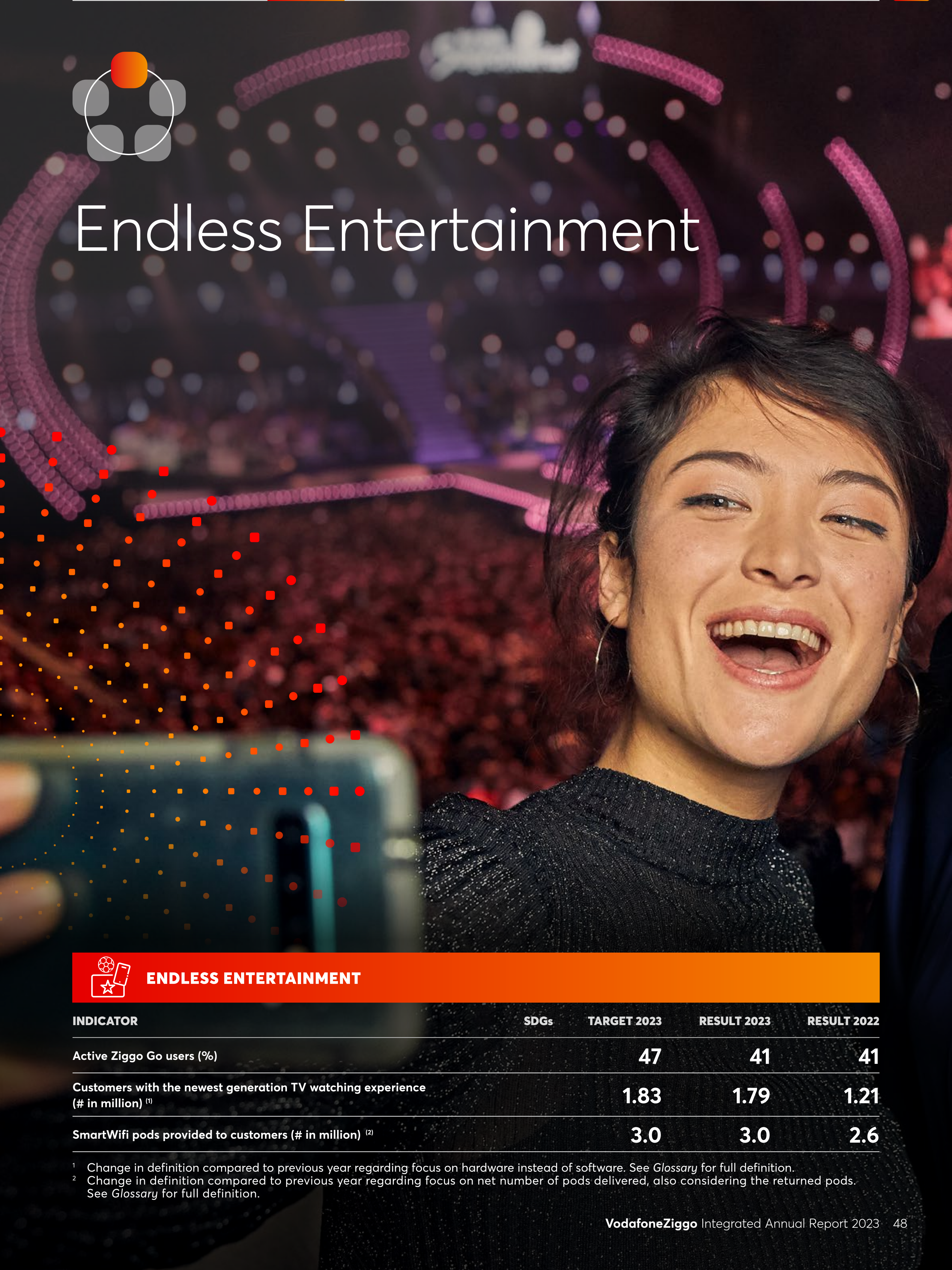
STRICT INTERNATIONAL STANDARDS

Extensive research has shown that the frequencies used for mobile telephony do not harm human health as long as exposure remains within limits set by the ICNIRP, which include significant safety margins. Like all telecom providers, VodafoneZiggo must adhere to these ICNIRP limits and the regulations set by the government. In 2023, the measurements frequently carried out by the RDI again showed that we were operating well within the ICNIRP limits. For more information see Antenneregister.

A ROBUST COMPANY POLICY

When managing health and safety in relation to electromagnetic fields, we follow the Vodafone Group RF Management Policy Standard, which applies to the management, design, procurement and installation of radio base stations and smaller mobile antennas and terminals. We also regularly discuss the subject of electromagnetic fields with other mobile network operators to ensure the telecom sector as a whole stays well below the ICNIRP limits. One way in which we do this is by implementing a policy regarding shared locations – for example, rooftops and indoor public locations – for network equipment, making sure that exposure levels remain within these limits.

“WE PROVIDE A MOBILE NETWORK THAT IS SAFE FOR PEOPLE AND THE ENVIRONMENT.”



Endless Entertainment

ENDLESS ENTERTAINMENT

INDICATOR	SDGs	TARGET 2023	RESULT 2023	RESULT 2022
Active Ziggo Go users (%)		47	41	41
Customers with the newest generation TV watching experience (# in million) [1]		1.83	1.79	1.21
SmartWifi pods provided to customers (# in million) [2]		3.0	3.0	2.6

1 Change in definition compared to previous year regarding focus on hardware instead of software. See *Glossary* for full definition.
2 Change in definition compared to previous year regarding focus on net number of pods delivered, also considering the returned pods. See *Glossary* for full definition.

Home of entertainment

From TV and film to sport and music, VodafoneZiggo is building the ultimate home of entertainment for our customers. By bringing together a vast array of onscreen content with unforgettable offscreen experiences, we aim to ensure everyone can access entertainment of the very highest quality – all while making our platforms more convenient, more relevant and more enjoyable than ever.

EVOLVING ENTERTAINMENT

The content we consume and the ways we consume it are changing – but one thing that has not changed is the power of entertainment to create connections. Whether our customers are enjoying a family film night or singing along with the crowd at a live concert, VodafoneZiggo's ambition is to enable an exceptional experience that they cannot find anywhere else.

We believe our entertainment proposition is truly unique, differentiated by our combination of on-screen and off-screen content, our Priority customer programme and our six Ziggo Sport channels (see *Ziggo Sport*). In 2023, we continued to strengthen our platforms to add more value for our customers and partners alike.

THE BEST VIEWING EXPERIENCE

TV and streaming – both linear and on demand – remain at the core of our Endless Entertainment strategic pillar. While traditional linear viewing in the Netherlands is decreasing as viewers turn to over-the-top (OTT) services, the tipping point between these two means of consumption has not yet been reached. Nevertheless, we are working to ensure we are ready when the time comes – while always providing the very best films and series in the most seamless way possible.

To do this, we listen carefully to the needs and wants of our customers and use data-driven insights to inform the development of our solutions. We know, for instance, that customers can find it hard to navigate the increasingly fragmented content landscape, and we aim to overcome this frustration by ensuring our platform brings together all our audience's favourite content, all in one place.

QUALITY AND CONVENIENCE AT YOUR FINGERTIPS

VodafoneZiggo's deal with SkyShowtime was a highlight of 2023. We started rolling out access to this platform, which replaces our own Movies & Series environment, in October. The year also saw us successfully reaching the number of eight OTT content providers on our platform.

"THE POWER OF ENTERTAINMENT TO CREATE CONNECTIONS."

By integrating these providers' metadata and subscription information alongside their apps, we not only expanded our innovative metasearch functionality to more than 10,000 unique titles but also added these OTT services to our simplified Ziggo invoicing system (see *Seamless on all devices*). Our customers therefore benefit from greater convenience and transparency as well as an even wider array of content, which they can discover via their personalised home interface.

With these foundations in place, we will continue making upgrades and improvements to our on-screen offering – across our mediabox, app and website – in 2024. We aim, for instance, to enable viewers to (un)subscribe to different OTT services with just a few clicks, supporting our ambitions to deliver a super-simple customer experience.

GIVING CUSTOMERS TOP PRIORITY

As well as being a leading onscreen content aggregator, we are focused on making a difference in people's lives by creating memorable off-screen entertainment experiences. Our Priority programme, established in 2021 to give Vodafone and Ziggo customers priority access to in-person events, continued to go from strength to strength in 2023, taking our brand partnerships to the next level for the benefit of our customers.

We can do this by, for example, not only broadcasting an Ajax football match or streaming a concert live from the Ziggo Dome, but also offering all our customers the chance to buy priority tickets to the next unmissable event. In April, we sold out three shows of The Tribute: Battle of the Bands at the Ziggo Dome, bringing together a total of around 45,000 VodafoneZiggo customers to share in the fun (see *Connection in action*).

DOUBLE AWARD WINNERS
VodafoneZiggo's recent sponsorship activities have earned two industry awards. First, together with our research agency partner, we won a 2022 European Sponsorship Award for our success in measuring what our customers think of our sponsorship activities and – more importantly – what they want in the future.

We used these insights to recalibrate our sponsorship strategy in a more customer-focused direction, securing us a second award. This 2023 SponsorRingen accolade recognised our innovative approach to the Ziggo Dome's The Tribute shows, which led to positive brand impact and new business revenues as well as an exclusive customer experience.

We believe this success shows the level of demand for exclusive live entertainment experiences. Our goal is to increase the range of entertainment types – including more theatre shows and musicals – and the number of exclusive events available through the Priority programme.

Furthermore, beyond off-screen events, we aim to enrich our customers' daily lives by providing Priority deals on e-books, magazines, gaming and even food delivery, so they can enjoy an entertaining night in, however they choose.

STRENGTHENING PARTNERSHIPS
In order to provide high-quality content of all kinds to our customers, we work hard to become the preferred partner to players across the entertainment industry. Engagement with external stakeholders was therefore high on the agenda of our Endless Entertainment strategic pillar in 2023, and we saw a high volume of interest from existing and potential partners throughout the year.

We are proud that VodafoneZiggo is increasingly being recognised by the entertainment world as a doorway to millions of households in the Netherlands: after all, not only is our customer proposition unmatched, but we also offer unique opportunities to our partners that add value for both sides. One example is our ability to create connections between our partners in new and exciting ways, such as by organising exclusive Disney film premieres at Pathé cinemas via our Priority programme.

POWERING PROGRESS THROUGH ENTERTAINMENT
Our endless entertainment approach and partnerships also have a positive impact on another VodafoneZiggo strategic pillar: Progress for Everyone. We are working with the Ziggo Dome, for instance, supporting them in its environmental journey, and we team up with Ajax players to promote our Online Masters programme, improving young people's digital skills. Initiatives like this reflect the changing role of entertainment in people's lives – as well as our determination to use our position to make a difference for our customers and beyond.

"WE WORK HARD TO BECOME THE PREFERRED PARTNER IN THE ENTERTAINMENT INDUSTRY."

Home of sport: Ziggo Sport

Inspirational, emotional, skilful, unpredictable… There is nothing quite like live sport. For passionate fans and casual viewers alike, sporting events offer the chance to connect – as supporters or rivals; by commiserating or celebrating. As linear viewing in living rooms makes way for on-demand experiences on the go, Ziggo Sport is reshaping sports broadcasting, using the power of sport to create stronger connections between more people.

AN UNMATCHED OFFERING

Thanks to the success of Ziggo Sport, VodafoneZiggo is the only telecom company in the Netherlands with its own sports channels, one of which is provided to all Ziggo customers without any added cost. This puts us in a unique position in the market. In fact, our surveys show that around 10% of customers come to Ziggo – and, more importantly, around 15% stay with Ziggo – because of Ziggo Sport. At the end of 2023, our viewer satisfaction rate was 91.5%.

While focusing on football, motorsports and (inter)national events, we look to cover the widest possible range of sports.

ABOUT ZIGGO SPORT

With 26 employees at the end of 2023, this small team runs a round-the-clock sports media operation. As well as producing more than 10,000 hours of its own content per year, Ziggo Sport brings in live sports feeds from around the world and broadcasts them to customers from its base in Hilversum, the media capital of the Netherlands. Our schedulers and producers work alongside external production partners, as well as collaborating with the Media Innovation Hub (see *Technological solutions for society*).

By providing channels dedicated to golf and tennis, for instance, as well as regular coverage of volleyball, athletics, rugby, basketball, winter sports and more, we are proud to offer something for everyone. We are the home of sport in the Netherlands as the country's number one TV sports broadcaster.

Rather than concentrating exclusively on Dutch (national) teams, we aim where possible to secure the rights to an entire tournament or event, to include viewers who support different athletes or who simply want to enjoy as much sport as possible. One example of this, and a highlight of the 2023 sporting calendar, was the Rugby World Cup in September and October. Even though the Netherlands did not take part, our exclusive coverage of the tournament drew a staggering 2.6 million viewers in total: a huge success given rugby's relatively low profile in the country.

SPORT FOR A NEW GENERATION

We pride ourselves on creating the right environment to attract the very best sports presenters, pundits, analysts and commentators, including many well-known former athletes. This helps us to not only deliver informed insights but also create a positive and engaging experience for viewers, in line with our Endless Entertainment goals. Although live sport is an exception to the general decline in linear media consumption, sports broadcasters are still facing the challenge of attracting – and keeping – the attention of younger and more diverse audiences in a world of on-demand entertainment.

In response, we launched a new YouTube-based football talk show, Kick 't Met ('Kick it with'), in 2023. With two Gen-Z hosts, Armin Shah and Jefferson Osei, this show takes a fresh approach to football punditry and has succeeded in targeting a much younger audience compared to that of a traditional linear sports programme. Its more informal set-up also helps to attract talented up-and-coming footballers to appear on the show.

Over the course of 2023, our social media following increased from 2.4 million to 2.6 million, an extremely strong performance within the Dutch sports media landscape. We aim to continue growing Ziggo Sport's online and social media presence, in order to reach more sports enthusiasts, increase the accessibility and convenience of our sports content, and deliver a digital-driven customer experience.

SOMETHING FOR EVERYONE

Having been awarded the UEFA Champions League, Europa League and Conference League rights in late 2022, we spent 2023 building a new studio and app, ready for kick-off in 2024. Our ongoing preparations involve other teams from across the VodafoneZiggo organisation, as well as from our parent company Liberty Global.

Meanwhile, we secured and/or renewed a wide array of other rights in 2023, such as the Diamond League, Continental Tour and World Indoor Tour athletics, Italian Serie A, Belgian Jupiler Pro League and PGA European Tour, including the Ryder Cup. We can attribute this success in part to our new approach to Ziggo Sport's rightsholder relationships, building connections that give them more insight into how we will bring their product to the Dutch market in an entertaining way.

SHARING THE EXPERIENCE

Furthermore, we continued our strong track record of organising Ziggo Sport events to promote major sporting occasions here in the Netherlands. Our team was live on the ground at two ATP World Tour tennis events in 2023, the ABN AMRO Open in Rotterdam (with a 360° camera allowing online viewers to explore the stadium virtually) and the Libéma Open in Rosmalen. We also set up a pop-up Ziggo Sport Race Café at the MotoGP TT Assen and on the beach at the Zandvoort Formula 1 Grand Prix, as well as hosting a YouTube watch-along on the day of the main race.

This stream was watched live as a 'second screen' by around 20,000 people and viewed a further 21,000 times in the weeks after the event – a clear example of how demand for non-linear viewing formats is rising in sports, just as it is in other parts of the media.

TEAMING UP FOR PROGRESS

As well as creating connections through entertainment, Ziggo Sport aims to support VodafoneZiggo's purpose – enjoyment and progress with every connection – through partnerships with sports associations. During the Rugby World Cup, for instance, we gave Rugby Nederland free advertising, aiming to appeal to a new audience of young viewers who might be interested in trying out the sport for themselves. We also continued our media partnership with the Fonds Gehandicaptensport (a Dutch charitable fund supporting disability sports) by promoting its annual fundraising auction in support of athletes with disabilities.

NEXT SEASON

Ziggo Sport will move to a new location with state-of-the-art facilities in 2024, making our work processes more efficient and enhancing the quality of our output to improve customer satisfaction still further. Moreover, we aim to keep improving the diversity of our talents in the years ahead to ensure our programming better reflects the diversity of our society.

Meanwhile, with the sports media environment evolving fast, we will continue to develop more innovative ways of presenting sports, such as our 360° stadium camera. We will also keep building partnerships that help us further improve the sports viewing experience we offer to customers, viewers and followers, both on-screen and off-screen.

	Instagram	Facebook	X	TikTok	YouTube	LinkedIn	Podcast
Followers	93,248	140,450	126,132	595,914	643,000	526	87,263
Impressions	58,177,660	77,655,030	33,589,944	105,756,235	104,196,185	25,351	762,581

Total followers ZIGGO SPORT 2023 **1,686,533**

Total impressions ZIGGO SPORT 2023 **380,162,986**

Seamless on all devices

Central to our Endless Entertainment approach is our ability to enable a seamless viewing experience for customers at every step of the journey – from discovering new content to paying for it. To achieve this, we use high-performance technology with a lower environmental impact, in combination with data insights from customers and content providers.

HELPING CUSTOMERS FEEL AT HOME

Entertainment starts with a reliable, stable, high-quality connection. In customers' homes, this means our SmartWifi products, including the latest generation of SmartWifi pods with WiFi 6 standard, which are now automatically part of our Ziggo internet bundle. Since the launch, we have provided over three million SmartWifi pods to customers. We also rolled out two broadband speed increases for our new and existing customers during the year, ensuring they always have the speed needed for all kinds of concurrent applications, from working from home and online learning to 4K streaming and IoT connectivity.

Our customers increasingly expect and appreciate support that goes beyond simply providing a piece of hardware, which is why we embrace a holistic approach to the in-home network. Through our Service Scan programme, for example, we are increasingly proactive in optimising the Ziggo entertainment experience: with customers' consent, we use data on the performance of their in-home connections to reach out with support if there is an issue. Depending on the permissions granted, we can also advise on the best place for SmartWifi modems and boosters or even identify other devices that might cause interference.

ENJOYMENT MADE EASY

Video content is central to our entertainment offering (see *Home of entertainment*). We ensure a seamless experience in three ways: by aggregating the content of a wide range of popular global streaming services in our mediabox; by facilitating all-in-one billing that combines all viewing subscriptions in a single, clear invoice; and by leveraging data to enable easy search and discovery as well as personalised recommendations across different OTT services, based on people's specific viewing behaviours.

Our goal is to onboard all our OTT partners across all three functionalities. One challenge we face, however, is that some providers currently prefer not to share their metadata or billing relationship with consumers. We nevertheless believe that our approach delivers notable benefits for these partners as well as for their end users, and we will continue collaborating to find solutions that work for everyone.

BETTER FOR PEOPLE AND PLANET

In 2023, we continued investing heavily in the roll-out of our Mediabox Next and Mediabox Next Mini, which are key to unlocking our goal of providing the newest-generation TV-watching experience to as many customers as possible: 1.79 million by the end of the year. These devices are our most technologically advanced set-top boxes to date, featuring our most intuitive user interface and voice control options. Over two million households have access to voice control via the Next, Next Mini and XL, and around 60% actively use this feature. The number of voice commands is rising steadily, reaching an accumulated total of around 30 million by the end of 2023.

What is more, the Next Mini is made largely of recycled plastic and consumes less energy than its predecessors (see *Sustainable products and services*). As such, the more than one million customers with a Next Mini are now enjoying an exceptional viewing experience with a lower carbon footprint.

A CLEARER PICTURE

Our Ziggo GO app is available on TVs, smartphones, tablets and laptops, allowing its more than 1.4 million active users to switch seamlessly from one device to another and stream a series, film or sports event wherever and however they want. In April 2023, we upgraded the app's image quality to 1080p on suitable devices, for an even more captivating experience. Our next steps include making Ziggo GO available via all major smart TV platforms without the need for a separate mediabox.

STAY TUNED

VodafoneZiggo will continue to add more content providers to our mediaboxes and bring our newest, most environmentally sustainable model and its technology to more homes. We are also excited to broaden our horizons beyond video, exploring partnerships in podcasting and other entertainment media. Meanwhile, having started offering the Apple Watch with e-sim support to customers in October 2023, we aim to continue developing our wearable connectivity and entertainment offering, capturing the possibilities offered by e-sims.

Best Business Solutions

BEST BUSINESS SOLUTIONS

INDICATOR	SDGs	TARGET 2023	RESULT 2023	RESULT 2022
IoT subscribers in the Netherlands (#SIMs in million)	9, 11	2.2	2.3	2.1

One platform, limitless journeys

Our conversations with business customers make it clear that high-speed connectivity for its own sake is no longer enough. Certainly, businesses expect secure and seamless connections through our fixed and mobile networks, but primarily as an enabler for their ambitions – whether that is greater flexibility for their employees, increased security for their data or more meaningful connections with their own customers.

ONE PLATFORM, LIMITLESS JOURNEYS

Through our Vodafone Business brand, we help our business customers – small office/home office (SoHo), small and medium enterprises (SMEs) and large corporates – to thrive in the digital world. We do this by delivering end-to-end, customer-centric value propositions, built around four topics: cyber resilience, the future of working, connecting your business and business innovation.

These propositions are integrated into our user-friendly digital platform, easily accessible via the One Entrance portal we launched in 2023. The platform is made up of Vodafone and Ziggo products and services combined with (over-the-top (OTT)) solutions from third parties. This ensures we live up to our promise of providing high-quality solutions that enable our customers' ambitions and give businesses the freedom to drive their own journey in whichever direction they choose.

A TRUSTED PARTNER

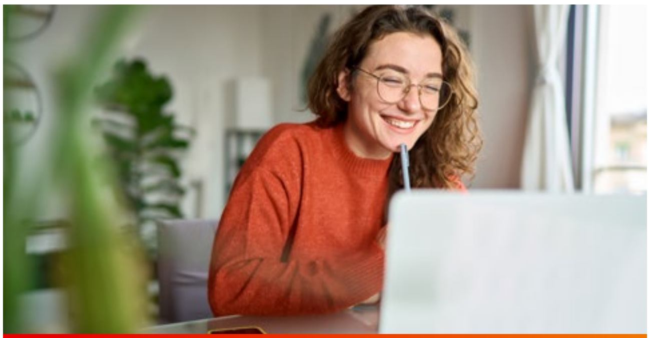
In turn, our colleagues can focus on adding more value at key moments. We inspire customers through events such as our Tech4Business days, where we promote discussion and share insights on key topics, such as artificial intelligence (AI) and smart buildings (see *Technological solutions for society*). We also provide inspirational content via our increasingly popular V-Hub platform, which attracted around 24,000 visitors during 2023. Moreover, we invest in the accreditation and certification of our people to ensure we can act as a sparring partner when required, using our expertise to help customers identify what they and their business really want. By listening carefully to their strategic goals, we can work with them and our suppliers to design and implement the solutions they need to realise their ambitions.

Vodafone Business is unique in being the only international brand in the Netherlands that provides a comparable array of telecom, IT and security services for businesses. We leverage our global network of partners, other Vodafone Business entities and suppliers for the benefit of our customers, who appreciate the access Vodafone Business provides to the world-leading solutions they need in today's competitive business environment. This customer recognition was reflected in our strong Vodafone Business NPS result in 2023, which increased by six points versus 2022. Vodafone has been named a leader in managed IoT connectivity for the tenth time in a row by Gartner.

CYBER RESILIENCE

Digital security is non-negotiable for businesses today, but it can be a daunting challenge, especially as national and European regulations develop. The Dutch government, for instance, is calling for 90% of basic services to be digitally available by 2030 and for 80% of SMEs to adopt cloud and AI services by the same year.

Within this landscape, VodafoneZiggo helps our business customers progress safely, whether they are enabling mobile payments or transferring medical records. By ensuring their cybersecurity performance is where it needs to be, our support helps customers not only to mitigate security and compliance risks, but also to capture the opportunities of digitalisation. We invest heavily in protecting our network as well as our customers' networks. Furthermore, we provide a broad range of security products, using the NIST Cybersecurity Framework as our reference.



FIT FOR THE FUTURE
Annually we conduct a Fit for the Future survey to investigate companies' openness, readiness and flexibility in relation to the modern workplace and emerging technologies.

In 2023, we integrated our secure hybrid-working solutions into all our customer value propositions. We also supported customers confronting the challenges of data security in relation to generative AI technology, including by rolling out solutions to block access to certain AI tools in the workplace. For more information on how we manage this topic, see *Data security and privacy for our customers and employees*.

THE FUTURE OF WORK

As a large organisation employing thousands of people while navigating the digital and sustainability transitions, we know the challenges our business customers are facing when it comes to meeting the expectations of consumers, (potential) employees and legislative authorities. Our Smarter Working package is therefore designed to support customers of all shapes and sizes in their efforts to be a responsible business in the modern world.

Smarter Working is an end-to-end, customisable suite of solutions targeted at helping business customers manage their people and resources more smartly and sustainably. From the cloud, accessibility software and home-working solutions to smart lights and thermostats in office buildings, these products and services help make our customers' businesses fit for the future.

CONNECTING YOUR BUSINESS

Vodafone Business is proud to be recognised by Gartner as a global leader in Internet of Things (IoT) connectivity, services and solutions. We enable worldwide IoT for our business customers through our SIM cards, our low-latency 5G network and the 5G Hub Eindhoven (see *Technological solutions for society*). Vodafone connects more than 182 million IoT devices worldwide.

By harnessing IoT, we help our customers improve the efficiency of their operations, develop new solutions and ultimately achieve better outcomes. One powerful example of our IoT in action is in hospitals, where we use this technology to securely track valuable assets – such as diagnostic machines or wheelchairs – thereby preventing the loss of essential and expensive equipment.

BUSINESS INNOVATION

Our business customers are constantly using our networks to power innovative solutions for their customers in turn – from robots that remove weeds from crops, thereby reducing the need for pesticides, to water-quality assessments and predictive maintenance for dikes. At VodafoneZiggo, we believe in providing not only the innovative tools but also the inspiration they need to bring their vision to life.

In November, for example, we organised a Shared Shop in Amsterdam, bringing together three online retailers with consumers in a physical shop with the help of augmented reality (AR) technology. Visitors were able to scan an in-store QR code and access a virtual layer on their smartphone, through which they could browse and purchase the products on offer. Our customers were able to enhance the end-consumer experience thanks to interactive digital engagement (see *Blended shopping: a unique experience*).

Increasingly, we are joining forces with partners to promote conversation and innovation around trending topics in the business environment. In 2023, for instance, we held a joint event with partners, focusing on how businesses can leverage digital solutions to improve the customer experience with contact centres. Our goal with events like this is to open customers' eyes to new possibilities, to inspire them to explore technological solutions and to position Vodafone Business not just as a solutions provider but as a trusted expert and partner on their innovation journey.

SUPPORT FOR SMEs

In 2023, VodafoneZiggo was awarded the title of SME partner of the year by Cisco, reflecting our commitment to making digitalisation simpler and more beneficial for SMEs. Our goal in 2024 is to continue integrating our SME-focused solutions into an attractive new value proposition that makes these customers' operations smarter, more secure and more seamless than ever. We are also collaborating with the entrepreneurs' association MKB-Nederland, using its insights to inform the development of our SME package while also giving us a voice in important national conversations around the digitalisation of business.

Technological solutions for society

From climate change and social inequality to the housing shortage and the rapid emergence of new technologies, our society is facing a complex and fast-developing matrix of challenges. At VodafoneZiggo, we believe our network and expertise can help tackle them: not only by connecting individuals to everyday digital tools and experiences, but also by enabling safe and innovative solutions that make life better, now and for the generations to come.

PROGRESS FOR ALL

In close partnership with entrepreneurs, companies, students, policymakers and knowledge institutions, we use the power of cutting-edge technology – including 5G, AR, virtual reality (VR) and AI – to help build a more sustainable and inclusive world. We believe that public–private cooperation is essential to solving the problems we face as a society, and that we have a responsibility to play our part.

Our efforts are centred on three non-profit open innovation hubs, all based in economically and technologically strategic locations in the Netherlands. Through our participation in these hubs, we can combine our technology expertise with the wide-ranging capabilities of our partners. In turn, this amplifies our positive societal impact across the realms of connectivity, entertainment and sustainability – and helps us fulfil our purpose of delivering enjoyment and progress with every connection.

"PUBLIC–PRIVATE COOPERATION IS ESSENTIAL TO SOLVING THE PROBLEMS WE FACE AS A SOCIETY."

"THE MEDIA INNOVATION HUB AND ZIGGO SPORT JOINED FORCES TO EXPLORE THE FUTURE OF TELEVISION."

5G HUB EINDHOVEN

In 2023, we continued to investigate and develop the 5G applications of the future at our site in Eindhoven, which we set up in 2020 in partnership with Brainport Development, the High Tech Campus and Ericsson. VodafoneZiggo aims to capture the opportunities of 5G when the time comes – especially in relation to our strategic focus areas of Best Business Solutions and Secure & Seamless Connectivity.

One important development in 2023 was the appointment of a full-time VodafoneZiggo manager at the 5G Hub, marking a step up in our dedication to the work we carry out there. This new manager is supported by a cross-functional team of VodafoneZiggo colleagues who devote some of their working week to particular projects or solutions.

In 2023, these projects included a new partnership with Eviden, bringing together its ground-breaking computer vision platform with our 5G capabilities. Computer vision has significant potential in numerous safety applications, from counting the number of people in a crowd or identifying abandoned luggage to checking whether construction workers are wearing their hard hats on site. Using the power of 5G and edge-cloud computing means this analysis can take place in near-real time, as we and Eviden have successfully demonstrated at the 5G Hub.

We also organised a Tech4Business event at the Hub to engage with businesses about the digital transformation and what it means for the future of work. This inspiration and networking opportunity featured expert speakers from within and beyond VodafoneZiggo and attracted dozens of business representatives.

MEDIA INNOVATION HUB HILVERSUM

Together with a wide range of partners – including Beeld & Geluid, NCP, the municipality of Hilversum, Metaverse Werkplaats, Studio XNL and Media Perspectives – we celebrated the official opening of the Media Innovation Hub in October 2023. This site is a core part of the Endless Entertainment pillar of our strategy, focusing on new applications for entertainment, media and gaming, particularly when it comes to the transition from traditional journalism, radio and TV to more immersive experiences.

As media consumption continues to both increase and transform – through, for instance, the metaverse and Web 3.0 – the Hub and Ziggo Sport joined forces in 2023 to explore the future of television. Using a 360° VR headset, we were able to sit (virtually) with the presenting team at the Formula 1 Race Café event (see *Ziggo Sport*). Together with talented and creative students, our Hub experts will continue researching new ways of consuming media, supporting our goal of bringing greater connection and enjoyment to our collective entertainment experience.

GREEN INNOVATION HUB ALMERE

The Netherlands needs one million new houses over the next decade – and a significant number of them will be built in Almere. At the Green Innovation Hub in this growing city, we collaborate with regional and local governmental organisations as well as private companies that specialise in everything from construction and energy to food, mobility and inclusion. In this way, we aim to help develop residential areas – such as Almere Pampus, which will be a home to around 60,000 people – that will act as a prototype for the cities of the future: socially inclusive and environmentally sustainable.

VodafoneZiggo's technological capabilities and Best Business Solutions enhance our partners' ability to leverage their own areas of expertise. Our joint innovations are helping to shape a greener tomorrow, in line with our strategic priority of enabling Progress for Everyone.

In 2023, we launched a Minecraft Challenge at the Hub, giving young people the opportunity to virtually design their favourite living environment of the future. Among the many impressive entries was the idea to capture used ('grey') water and harness it to generate energy for the local area. We aim to hold another contest in 2024 to identify market solutions that could bring this sustainability innovation to life for the residents of Almere Pampus and other urban development areas.

TALENT FOR THE FUTURE

As well as being incubators for innovative technological solutions that can help address some of society's biggest challenges, our hubs also play an important role in directly supporting young talent and start-up and scale-up businesses.

In 2023, for example, several VodafoneZiggo trainees tackled projects at the three hubs. We also partnered with academic institutions including TU Delft and TU Eindhoven, inviting students to visit the sites, learn about exciting technologies and discover potential career paths. In 2024, we will kick off the second edition of the Green Innovation Hub Challenge, through which the Hub supports SMEs with business models, engineering and more in order to help them grow their market position.

Inspiring and developing emerging talents and entrepreneurs is fundamental to our hub approach: scaling up ideas and transforming them into tangible results for our business customers and other stakeholders. VodafoneZiggo is committed to building new and existing partnerships across industries and sectors in the years ahead, using our strengths to accelerate progress at the three hubs and grow our positive impact on society at large.

"AN IMPORTANT ROLE IN SUPPORTING YOUNG TALENT, START-UP AND SCALE-UP BUSINESSES."

Smart Digital Experience

SMART DIGITAL EXPERIENCE

INDICATOR	SDGs	TARGET 2023	RESULT 2023	RESULT 2022
Brand NPS Ziggo Consumer ✓		4	-1	2
Brand NPS Vodafone Consumer ✓		21	18	16
Brand NPS Ziggo Business ✓		-6	-7	-11
Brand NPS Vodafone Business ✓		5	6	0
Brand NPS hollandsnieuwe ✓		30	35	25

The indicators that fall within the scope of limited assurance of our external auditor are marked with the ✓ symbol.

Exceptional customer experience

In today's highly competitive and increasingly digitalised telecom industry, exceptional customer experiences are as much about touching people in the heart with your brand as they are about high-quality products. To ensure we continue to meet and surpass customers' rising expectations, we are improving our digital, self-service, data-driven solutions and are working hard to deliver the very best service: super simple, super smart and super personal.

OUR CUSTOMER JOURNEY APPROACH

To ensure our customers remain at the heart of an increasingly digitalised customer experience, we have developed several main customer journey types. Each contains its own macro and micro journeys, processes and activities, helping us ensure the best possible experience for our customers. Through this lens, we gain a clear view of the overall customer experience. This allows us to differentiate ourselves from competitors by being there for customers when it counts – and to provide an exceptional, personalised experience built towards creating ambassadorship as well as cutting-edge products.

IMPROVING PRODUCTS AND PERSONAL SERVICE FOR OUR CUSTOMERS THROUGH DATA INSIGHTS

Data is fundamental to delivering both our organisation-wide digital strategy and our ambition to offer a simple, smart and personal customer service. We know that only by creating valuable insights effectively can we ensure the best results for our customers, delivered via a best-in-class customer experience. We continue to incorporate improvements to our customer experience based on these data insights.

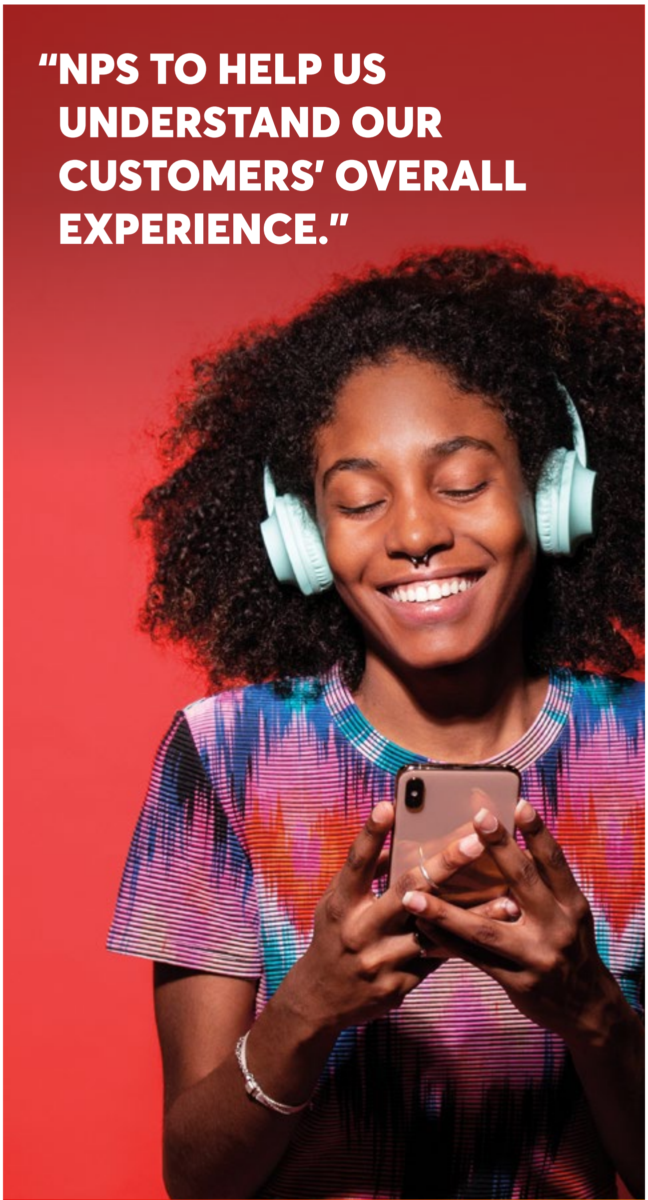
In 2023, we invested in collecting and enriching a range of valuable telemetry data: information about our networks and systems that allows us to proactively solve problems before a customer even notices something is wrong. Based on these data insights, our advisors are also able to proactively contact customers to improve their experience with our products and services.

Datapoints also help us tailor our communications to particular customers or customer groups, make personalised recommendations, create more relevant services and campaigns and carry out more effective evaluations and reporting. Of course, with increasing amounts of data comes an increasing responsibility to protect customers' privacy and information security. We always ask for the appropriate consent, store and handle data carefully and give customers control over their data. Find out more about our approach in *Data security and privacy for customers and employees*.

EMBRACING AUTOMATION AND AI

In what was a big year for AI globally, we made further strides in harnessing the potential of this technology to improve the customer experience. As well as expanding our use of AI speech analytics and chatbots in 2023, we launched a new automated system for summarising calls and chat sessions with customers. This means that if a different VodafoneZiggo colleague later continues the conversation, they can more easily review the story so far and the customer does not need to start from scratch. Thus, the technology enables our agents to focus on creating positive personal connections at the moments that matter.

Deepdesk is an example of an exciting new software implementation, auto-completing our agents' sentences as they type them and thereby helping us respond more quickly. To ensure we balance this high-tech approach with the personal touch we aim to provide, our employees can personalise Deepdesk's suggestions to fit their own 'voice', creating a more authentic human connection. By the end of 2023, this technology was already being used in, on average, nearly one-third of live messaging conversations with customers (30% Vodafone; 22% Ziggo).



NPS CUSTOMERS HAVE THEIR SAY

Our NPS results reveal the extent to which our customers would recommend our products and services to others and highlight areas of the customer experience that could be improved. Using NPS as a guiding tool helps us to become a customer centric company, with services that provide an exceptional and relevant experience.

Another example is how our Datarobot makes our Digital Technician Assistance (DTA), or Remote Technicians, possible. The DTA consists of a small group of technicians and advisors assisting customers with a planned technician visit remotely, instead of through a physical visit. By analysing more than 100 parameters, such as modem statistics, previous interactions with Ziggo, customer socio-demographics, and the issue at hand, this model makes a smart prediction of the probability of remote solution for a specific customer. By doing so, the Datarobot provides the DTA technician directly with the right customers to contact, reducing the time spent pre-analysing cases where a physical visit is still needed and increasing the chance of remote solution when customers are contacted. Customers are hence serviced sooner and can do so at their own convenience.

BUILDING INFRASTRUCTURE FOR EXCELLENCE

In 2023, to underpin our commitment to creating an exceptional digital experience for customers, we completed our major strategic project to migrate VodafoneZiggo's business and operations support systems – including more than four million customers – to a new customer relationship management (CRM) system. This milestone in our transition to a new IT landscape is essential in improving customer experiences in near the future.

Indeed, although our real-time Net Promoter Score (NPS) results initially decreased, they quickly rose again as we mitigated customer impact – with notably high scores for hollandsnieuwe (35), Vodafone Customer (18) and Vodafone Business (6) in 2023 – as the benefits of our new CRM system became clear. This system provides strong foundations on which we can build new digital functionalities and develop simpler and more streamlined processes. In turn, our employees are better able to deliver exceptional customer experiences. Our customer service teams were supported throughout the transition by a cultural change programme that encouraged employees to take ownership, generate ideas and solutions and give feedback for further improvements.

SPECIALISED SUPPORT

Our WiFi Crew – a team specialising in solving complex internet problems at customers' homes – increased its mandate and strengthened the connections with our network and product management teams. Our skilled Crew members use innovative tooling and remote visual software to solve some of the most challenging customer connection problems we face, with extremely high rates of success (see *A small team with a big impact*).

Meanwhile, our Social Crew is present on all VodafoneZiggo social media channels, helping to alleviate customer dissatisfaction and providing solutions online. We put our customer first, so we set up support around customer situations. For example, an Admin Crew, Entertainment Crew, Proactive Service Crew and New Build Crew in 2023, ensuring that our customers can rely on targeted, expert support.

The Community is our unique peer-to-peer-platform where the issues of individuals are resolved by the power of many, both employees and customers. We also connect with so-called 'super-users', who are invited to product testing and provide us with feedback to further improve our products and services. Thus, by providing an environment for knowledge sharing and connecting, we create engaged and loyal customers who contribute to products that deliver an exceptional customer experience.

SETTING UP FOR SUCCESS

We believe a positive employee experience is the key to a positive customer experience. We measure our employees' well-being and engagement – including how supported they feel by their leaders, the organisation and our systems – and act on any areas for improvement (see *Employer of choice*). In this way, we ensure our customer service teams have the motivation, mandates and support they need to deliver the excellent customer experience we strive for. Furthermore, we listen to feedback and suggestions for improvement by our employees to continuously improve upon our customer's experience.

Our aims are captured in the internal campaign we introduced in 2023, 'Maak vandaag fantastisch' ('Make today fantastic'). This campaign encourages all employees to consistently think about making a fellow employee's or customer's day fantastic. We also continued our long-running 'random acts of kindness' initiative, where employees send handwritten cards or gifts (such as a Ziggo Dome ticket) to customers to put a smile on their face, remind them of their interaction and strengthen our personal connection.

LOOKING AHEAD

In the years to come, we will keep improving our digitally driven customer experience, with the aim of providing a digital personal and smart alternative for 80% of our customer interactions by 2025. We believe that success depends on building high-quality digital experiences – such as finding answers to questions in our app – that customers want to use (and return to). As such, we aim to further explore the potential of generative AI tools and other emerging technologies.

At the same time, we will keep making sure that our customers can choose how they want to be served – whether that means continuing digitally through the VodafoneZiggo app or accessing in-person support from our experts. To this end, we will continue to develop our customer service talent and foster a culture where all employees are equipped and motivated to deliver an outstanding experience for every customer.

"BY PROVIDING AN ENVIRONMENT FOR KNOWLEDGE SHARING AND CONNECTING, WE CREATE ENGAGED AND LOYAL CUSTOMERS."

Digital organisation

VodafoneZiggo's ongoing transformation into a digital organisation – driven by data and AI – is the key to unlocking super-simple, super-smart and super-personal customer journeys via digital channels. In 2023, the first year of our ambitious new strategy, we focused on putting strong basics in place for our people and processes, paving the way for progress in the years ahead.

WORKING IN HARMONY

Even in a digital organisation, it is the people – and the connections between them – that make the difference. We further developed our Agile way of working across the company throughout 2023 by establishing so-called value streams, where teams from different departments come together to improve existing customer journeys. Organised based on the tasks, processes and actions involved throughout a given customer journey, these value streams can implement improvements largely independently.

Our value streams work with a quarterly cadence, promoting clarity on our priorities and ensuring better alignment and collaboration. By creating these customer-focused, outcome-driven units, we can more easily track ownership of and progress on objectives and key results (OKRs), across the spectrum of customer, financial, digital and sustainability goals.

CX FACTORY

Our new CX Factory is the innovative hub that designs each new value stream and supports value stream leads throughout set-up and delivery. By using a customer-focused lens and an iterative approach, the CX Factory helps us create super-simple, super-smart and super-personal customer journeys, differentiating the customer experience with VodafoneZiggo and creating more value, faster.

This hub also ensures that each value stream is equipped with a strong understanding of customer needs, the ideas to innovate solutions and the capabilities to build new functionalities where needed – helping us add and improve our digital touchpoints. With targeted focus areas and cross-functional synergies, the CX Factory marks an important step forward for our customer journey work. In 2024, we aim to scale up this way of working across all the customer journeys we have identified.

"THE NEW APP WILL SUPPORT A SUPER-SIMPLE, SUPER-SMART, AND SUPER-PERSONAL CUSTOMER EXPERIENCE."

ONE UNIFIED APP

Over the course of 2023, we built our first combined VodafoneZiggo app, bringing together My Vodafone and Mijn Ziggo. The new app will support a super-simple, super-smart and super-personal customer experience, enabling users to easily manage any of their fixed or mobile products and services in one place, as well as claiming converged benefits. Designed with customer perspectives in mind, the app will act as the gateway to daily digital entertainment. Moreover, it will enable us to reach a digital experience level that compares not only with 'digital-native' companies within and beyond our industry, but ultimately with the world's leading customer experience brands. Our colleagues enjoyed a first taste of the new app in November, ahead of customer testing and wider roll-out in 2024.

ENHANCING EXPERIENCES

There is still more work to do on transforming our legacy IT systems into a flexible, future-proof digital landscape. In 2023, we focused on building new IT capabilities into our platform, enabling us to add more modular functions, micro-services and application programming interfaces (APIs) on top, as required. Each of these small components can be more easily modified and improved before being linked back to the platform. Work will continue in 2024, focusing on guided flows and problem analysis, personalised customer journeys and content and knowledge management.

WORKING WITH AI

AI lies at the heart of our digital transformation, and it is our mission to embed these capabilities across our products, processes, networks and customer journeys. As well as embracing the power of generative AI to support customers (see *Exceptional customer experience*), we are exploring more ways of using this technology internally, to create a smooth and seamless way of working for our VodafoneZiggo employees.

In 2023, for instance, we started developing an integrated chatbot dedicated to human resources topics, so colleagues can easily access answers to their queries without having to search through our intranet resources. We are also working with other entities of Liberty Global, one of our parent companies, to develop and improve automated solutions that support our customer service agents before, during and after calls.

Our teams are also exploring the potential of Microsoft 365 Copilot to increase people's productivity, improve the quality of their work and grow the time spent on more engaging tasks. For our software engineers, data engineers and data scientists, we are experimenting with GitHub Copilot, a tool that enables them to write higher-quality code more quickly. Our data analysts, meanwhile, use DataRobot, a tool that makes it easy and straightforward to build advanced AI models without writing code. Several use cases built by analysts using this tool are already in production.

As we learn more about generative AI and embed it in our organisation, we are taking care to put data security and privacy before all else (see *Data security and privacy for customers and employees*). After all, the success of our digital transformation and our ability to create a better experience for stakeholders relies on the responsible use of large quantities of high-quality data. It is important that we can not only understand but also explain the workings of any AI model we design or use, to avoid a 'black box' situation.

DEVELOPING DATA LITERACY

To support our digital organisation ambitions, we want all VodafoneZiggo colleagues to train and grow their data literacy skills. To this end, we are making data more accessible for many of our colleagues, enabling them to analyse more information and create dashboards. The more people who can put data to use in their daily work – and make more data-driven decisions – the better we can understand and support our customers.

Progress for Everyone

PROGRESS FOR EVERYONE - PEOPLE

INDICATOR	SDGs	TARGET 2023	RESULT 2023	RESULT 2022
People helped to progress (# in thousands)	4 10	235	194	225
Employee engagement score		80	77	76
People employed with a challenge to work (#)	10	–	136	115
Women in top management (%) ✓	5	35 (target 2025)	39	34
Women at VodafoneZiggo (%) ✓	5	30	29	27

The indicators that fall within the scope of limited assurance of our external auditor are marked with the ✓ symbol.

Employer of choice

At VodafoneZiggo, we want to be an employer of choice. We begin by offering excellent employment conditions for people at every phase of their lives and careers, supporting our employees' health and well-being and ensuring a fulfilling work environment. Our goal is for colleagues to feel able to be themselves, connect with one another and access unlimited development opportunities.

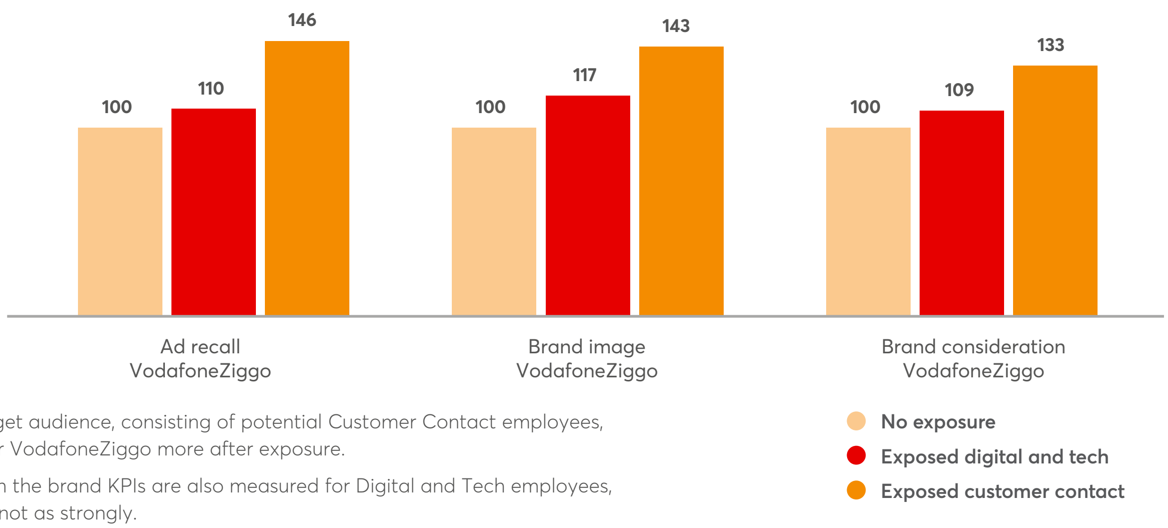
BUILDING OUR REPUTATION AS AN EMPLOYER OF CHOICE

In a competitive labour market, we stepped up our visibility in October 2023 by launching a new employer branding campaign to tell our story as one VodafoneZiggo. Rather than hiring models, we showcased the enthusiasm of our employees as 'real' models in all promotional materials, including a music video and radio commercial called 'Let me hear you say YEAH!'. We also adapted this campaign for two specific target groups – customer contact and digital and technology – to generate additional interest among these critical talent pools. Our analysis showed that the campaign enhanced brand awareness by 46% and improved brand perception by 43% among the target audience.

We also launched two major campaigns to recruit the next generation of talented graduate trainees. This resulted in more than 1,500 applications to our well-established Discover traineeship programme, an increase of 51% versus 2022.

For candidates who want to work for our company, the overall application and recruitment experience is very important. In 2023, we received 35% more applications than the previous year. Rejected candidates scored the application process 7.4 out of 10 on average, while hired candidates gave it an average score of 9.2. We aim to make sure that our recruitment processes, like every area of our organisation, are fair for people of all backgrounds. For this reason, we focus on potential rather than experience (see *Diversity, equity and inclusion*). To support this, we launched a new assessment tool, Equalture, that helps to remove unconscious bias and promote equal opportunities, as well as a new referral tool, Connect a Talent, that also showed positive results. In 2023, 28% of the candidates that were referred internally were hired.

TARGET GROUP CAMPAIGN



- The target audience, consisting of potential Customer Contact employees, consider VodafoneZiggo more after exposure.
- Uplifts in the brand KPIs are also measured for Digital and Tech employees, though not as strongly.

FAIR AND TRANSPARENT REWARDS

Our competitive rewards package is essential to attracting, retaining and motivating our talent. The focus is on incentivising people to go the extra mile, on offering employees the freedom to get the most out of their benefits and on being fair and equal. At VodafoneZiggo, everyone is entitled to the same leave arrangements, regardless of their family composition, and we offer the option to swap some public holidays for other days. We also provide employees with green mobility solutions, such as NS Business Cards (see *Sustainable mobility*).

In 2023, we added targets related to people (women in top management; helping people progress in society) and planet (reductions in CO_2 emissions) as a multiplier to the financial metrics already used in our bonus scheme. If all targets are met, our employees can receive an additional bonus. We also want to be sure there is no gender pay gap in our organisation. In 2023, we started an in-depth analysis of all relevant data, and we will begin any necessary corrective actions in 2024.

HEALTH AND WELL-BEING

Taking care of our people's health and well-being is a top priority for VodafoneZiggo. We are committed not only to supporting colleagues with illness to return to work, but also to preventing illness in the first place. To do this, we have built a strong network of internal and external experts, including absence coaches, occupational health doctors and health providers. In 2023, we also started collaborating with Adaptics on a preventive medical examination programme for employees.

Our holistic approach is supported by four pillars – mental, physical, social and financial – which provide the framework for employee programmes such as health checks, mental check-ups, webinars and financial coaching. One popular initiative is Awaken Your Inner Champ, a 90-day personal development programme featuring individual and group activities. In 2024, we will focus on vital leadership and on the needs of specific populations, from people aged 50 or over to colleagues in particular departments.

CONNECTED WORKING 2.0

In 2023, many colleagues continued to take advantage of our hybrid-work pilot, with people working, on average, two or three days per week from home. This allowed them to stay connected to their team while also enjoying a healthier work–life balance. During the year, we thoroughly analysed the effects of the pilot on people's engagement, performance and connection to VodafoneZiggo. Using these results, we will translate the running pilot into a formal Connected Working 2.0 policy in 2024.

We find it essential that employees feel safe in their working environment. Therefore, we have Hotline reporting channels in place (see *Ethics and compliance*) for employees who experience unacceptable behaviour. In 2023, we also made employees more aware of our Trust Buddies through an internal campaign. Trust Buddies are trained colleagues to whom employees can go for a listening ear or a safe and confidential place to tell their story and when needed provide support on how to proceed. Trust Buddies know all options to address and report inappropriate behaviour and are therefore an accessible option to everyone working at VodafoneZiggo.

TRAINING AND DEVELOPMENT

Since 2020, we have offered unlimited learning opportunities to all VodafoneZiggo employees, supporting people with the training and development they need to achieve specific targets or to boost their personal and professional growth. Our learning platform, Progress for You, is provided in partnership with Archipel and contains a library of more than 10,000 on- and offline trainings, podcasts, tests and scans. This broad portfolio of resources helps us fulfil the growing demand for continuous learning.

In 2023, employees requested more than 6,800 trainings at an average of 16 training hours per employee. More than half of the training requests were for in-company learning sessions. In addition, 98% of our employees completed mandatory trainings, such as safety training for our technicians and compliance training for all employees.

Our aim for 2024 is to better align our training proposition with the skills needed to support our employees' careers and realise VodafoneZiggo's strategic ambitions. We will also continue to onboard all new joiners with the support of and information from our Corporate Social Responsibility and Diversity, equity & inclusion teams, thereby helping to foster a workplace where everybody feels able to be themselves (see *Diverse, equitable and inclusive workplace*).

"OUR COMPANY VALUES WILL REMAIN FUNDAMENTAL TO OUR APPROACH TO DELIVER AN EXCEPTIONAL EXPERIENCE."

COLLECTIVE LABOUR AGREEMENT

Anticipating the end of VodafoneZiggo's existing two-year Collective Labour Agreement (CLA) in December 2023, we started the process of its replacement. Our focus extends beyond merely revising our employee rewards policy; we are committed to addressing a wide range of matters concerning our aspirations as an employer of choice. This includes initiatives related to attraction and retention and sustainable employment.

We use the DigiC model for negotiations, giving all VodafoneZiggo colleagues – even those who are not members of a trade union – the right not only to have their say in discussions but also to vote on the resulting CLA proposal. We believe everyone should have the chance to participate in the discussion about their own employment conditions and to make their voice heard in a democratic process. In 2023, 45% of employees participated in the CLA survey (2021: 40%), showing a strong level of interest among our workforce.

The next steps include independently organised surveys and panel discussions with employees, as well as conversations with VodafoneZiggo's employee resource groups (see *Diverse, equitable and inclusive workplace*) to find out which topics these specific communities want to see reflected in our CLA.

As part of the overall process, we also aim to simplify and modernise the language used in the agreement, making this important document more accessible and inclusive.

A PLACE TO THRIVE

Our business, purpose and strategy rely on our 6,800 employees across the Netherlands. In a challenging labour market and with Generation Z entering the workforce, it is more important than ever that we ensure VodafoneZiggo is a great place to work, for people from all walks of life. Only by attracting and retaining a diverse and talented workforce can we deliver an exceptional experience for our customers.

Together with our partner Peachy Mondays, we measure employee engagement via quarterly Heartbeat surveys. These anonymous surveys are a valuable tool for gathering insights into job satisfaction that we can use to open up the conversation about matters impacting employee engagement. In our final survey of 2023, our engagement score was 77 (2022: 76).

In 2023, we further rolled out our Organisational Network Analytics (ONA) dashboard in the organisation, making it another example of the way in which our human resources (HR) activities are increasingly driven by and geared towards a Smart Digital Experience (see *Digital organisation*). The dashboard provides insights into working and collaboration patterns at team level, encouraging teams to improve their habits and thrive in the workplace.

ON THE HORIZON

In 2023, having carried out dozens of sessions and workshops with a wide range of colleagues and external behavioural experts, we identified a new behavioural focus for VodafoneZiggo. Designed to support our new business strategy, this approach is fit for the future of our organisation and puts our people at the heart of all we do.

We will start a programme in 2024 to stimulate and embed the desired behaviour. Our three company values – Open up, Team up, Step up – will remain fundamental to our approach, helping us activate the behaviours we need to deliver an exceptional experience for employees and customers alike.

Diversity, equity and inclusion (DE&I)

Enabling Progress for Everyone starts with our own people – which is why ensuring DE&I at VodafoneZiggo is of huge importance to us. The tensions and polarisation in the world around us provide us with even more motivation to create a safe working environment, where talented people of all backgrounds feel able to participate, to be their true selves and to use their different perspectives to power progress within and beyond our organisation.

REFLECTING OUR SOCIETY

We want VodafoneZiggo to represent the society we operate in, so we can build the highest-quality and most relevant solutions for our customers. To achieve this, bringing together people from all different walks of life – and all their different ideas, experiences and skills – is essential. Otherwise, we risk becoming stuck in a creative bubble, excluding certain (groups of) people and/or building inequity into our products and services.

Our DE&I strategy has three focus areas. First, we aim to foster inclusive connections by opening up dialogues and holding courageous conversations. Second, we want to embed equity in our systems and processes, tackling discrimination and uncovering any biases. Finally, we are looking to extend our reach and impact in society, including by teaming up with external partners.

In 2023, we took important steps forward, acting based on the data gained from 2022's DE&I employee survey and the insights identified by our new DE&I ambassador groups.

DIVERSE RECRUITMENT

To increase workforce diversity, we need to reach out to broader talent pools, identifying and recruiting people we, or the wider labour market, may have traditionally overlooked. We are committed to welcoming more colleagues who face an extra challenge to work owing to a disability, illness or medical condition. Bridging the gap is a matter of equity: actively providing what colleagues need to be successful.

One way in which we do this is by attending and hosting 'meet-and-greet' sessions – organised by Onbeperkt aan de Slag ('Unlimited to work') and WerkgeversServicepunt ('Employer service point') – that aim to connect candidates with employers. For VodafoneZiggo, it is a prime opportunity to meet new talent with the capabilities and motivation we look for. In 2023, we held a meet-and-greet in Utrecht that attracted more than 45 employers and 120 candidates, attended 20 other sessions in various regions of the Netherlands and hired nine new colleagues whom we met during these events. We also set up a new position during the year: a diversity recruiter who matches vacancies with talent from parts of society to which we want to have better access as an employer.

As of 31 December 2023, we employed 136 people with a challenge to work, and our efforts to create career opportunities for people who might face extra difficulties in the workplace – and to support them with adjusted hours or adapted tasks – were recognised with a Frontrunner nomination for VodafoneZiggo in the Ctalents Diamond Awards.

EMPLOYEE RESOURCE GROUPS
VodafoneZiggo is home to four internal employee networks, each with its own budget and calendar of activities. In 2023, Women Connected, Intercultural Connected, Queers Connected and Go-Getters Connected collaborated on events, workshops and training sessions, promoting intersectionality among different communities within our organisation.

Highlights from the year included our sponsorship of Pride Utrecht, Pride Amsterdam and Pride Groningen and our participation in the launch of a new programme for entrepreneurs with disabilities (Onbeperkt Ondernemen). We also held our first iftar meal and Diwali celebrations, bringing together colleagues from all over the Netherlands to learn and connect.

CREATING A SENSE OF BELONGING

We want all our employees to feel safe and respected at work, regardless of their gender, ability, sexual orientation, age, religion or cultural background. In addition to diverse representation, fostering belonging and promoting allyship are key factors in creating an inclusive culture at VodafoneZiggo. In 2023, women made up 29% of our organisation and 39% of our top management, and we trained more than 200 people leaders on conscious inclusion, covering topics such as showing empathy, listening without judgement and stepping up as allies.

"WE WANT VODAFONEZIGGO TO REPRESENT THE SOCIETY WE OPERATE IN."

We also ran team-focused 'inclusion booster' sessions with an external facilitator throughout 2023. These were arranged in response to the rise in the number of reports made the previous year about behaviour that made colleagues uncomfortable. We believe this concerning trend reflected, first, the national conversation about inappropriate workplace behaviour and, second, the success of our new Trust Buddies and Hotlines reporting channels (see *Ethics and compliance*). Nevertheless, we are determined to combat unacceptable behaviour through, for example, measures like these inclusion sessions.

NEXT STEPS

Despite our progress on DE&I so far, we know there is a long way to go before we fully realise our culture of belonging. On the agenda for 2024 are an inclusion assessment for every step of all employee journeys and new guidelines on inclusive language. We are also investigating how we can make our purchasing more diverse and inclusive, for instance by partnering with BIPoC-owned businesses or suppliers that are certified by the Prestatieladder Socialer Ondernemen ('Social entrepreneurship performance ladder').

As we prepare our new VodafoneZiggo Corporate Labour Agreement (see *Employer of choice*), we will take the opportunity to embed DE&I considerations where possible, such as by using the Equity Sequence™ in our decision-making processes. Meanwhile, our next DE&I employee survey will take place in the summer of 2024, providing a fresh round of insights into where we are supporting our employees and where we can – and must – do better.

Leave no one behind

We live in an increasingly digital society, but more than 2.5 million people in the Netherlands struggle to fully participate. At VodafoneZiggo, we enable access to connectivity for all, ensure our digital products and services are user friendly to everyone and empower people with essential digital skills – all with the goal of making sure no one is left behind.

BRINGING EVERYONE ALONG

As a telecom company, we are a driving force behind digital acceleration – but we also know we have a responsibility to put people at the centre of what we do. There is no single solution for closing the digital divide, which is why we focus simultaneously on access, accessibility and digital skills, and why we work closely with partners of all kinds to magnify our positive impact (see *Social partners*).

VodafoneZiggo is a founding member of the Digital Society Alliance (Alliantie Digitaal Samenleven), which brings together public and private stakeholders to realise a more digitally inclusive society. In 2023, we convened a stakeholder session at our Central Office to foster connections between organisations driving digital inclusion and initiatives. During the session, we worked together with the Alliance on 'The Manifesto: Close the Digital Divide', providing the foundational framework for our shared mission.

ENABLING ACCESS

For the 3% of Dutch households without a fixed internet connection, the first barrier to digital participation is simply gaining access to the internet. We see internet access as a basic human need, and we believe VodafoneZiggo has a responsibility to help meet this need. In October 2023, we and a range of Digital Society Alliance partners launched the pilot scheme of a new digital participation package (Digitaal Meedoen Pakket) that provides a reduced-price internet subscription to people on a low income who do not have an existing connection. A second-hand laptop or tablet and support with digital skills are also included in the package.

Through this pilot, we are connecting around 250 households in Utrecht to the internet, with more to come in Amsterdam. Eligibility is decided by the local municipality. The scheme will run for a year, during which time we will investigate, among other things, why participants were not already connected to the internet, whether this package is a positive solution for them and whether it is feasible to roll it out on a wider scale.

COMMUNICATION WHEN IT COUNTS

In an emergency, access to the internet becomes more essential than ever. Leaving no one behind therefore also means ensuring connectivity when people need it most. Our instant Network team from the Vodafone Foundation is on hand to set up emergency communications in critical situations, ensuring first responders and affected communities can access help, coordinate relief efforts and stay connected.

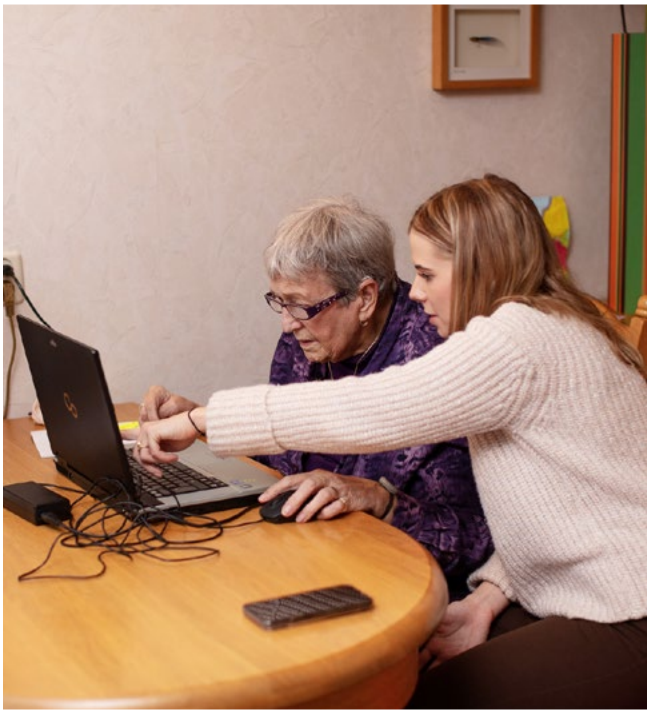
ABOUT THE VODAFONE FOUNDATION

This global network harnesses the power of connectivity to change lives, responding to specific local needs in countries where Vodafone Group, one of our parent companies, is active. Since 2002, the Vodafone Netherlands Foundation has been using technology to improve the lives of people in a vulnerable position in Dutch society.

The team was in action in Turkey in early 2023, creating crucial connections for people affected by February's earthquake. As part of a Vodafone consortium, VodafoneZiggo colleagues provided instant WiFi at seven locations as well as several high-speed mobile chargers (see *Connections when it matters most*). In November, a team from the Vodafone Foundation set up Instant Network School solutions – consisting of a powerful modem plus a server full of on- and offline lesson content – for six schools in the refugee city of Kakuma, Kenya.

ENSURING ACCESSIBILITY

Providing access to the digital world is not always enough to ensure that everyone can fully participate: leaving no one behind also means making sure all our digital products and services are user friendly and accessible to as many people as possible, no matter their different needs and abilities.



In 2023, we took important steps towards ensuring full and equal participation and thereby enabling progress for everyone. This included working to ensure our products and services meet the standards set out in the Web Content Accessibility Guidelines (WCAG) as well as complying with the upcoming European Accessibility Act (EAA). The year also saw us significantly step up our engagement with employees about accessibility; for example, by holding experience sessions to raise awareness of the importance of inclusion for people with disabilities.

Meanwhile, our designers and programmers launched a bottom-up initiative aimed at delivering accessible digital products. Trainings to help embed accessibility by design throughout customer journeys and touchpoints will begin in 2024. In addition to this, we aim to include more diverse groups of customers in our testing and research activities, helping us develop features that support a seamless user experience for more people.

EMPOWERING THE ELDERLY WITH DIGITAL SKILLS

The third strand of our approach focuses on education and support related to digital literacy. Since 2018, our Welcome Online programme, run in collaboration with the Nationaal Ouderenfonds (National Foundation for the Elderly) and ASML, has been dedicated to enhancing digital literacy among seniors. Having originally offered personalised assistance, we have expanded our support to include various workshops in libraries, community centres and sports clubs, complemented by online courses for self-paced learning.

In 2023, in recognition of the importance of physical assistance and personal contact when dealing with digital questions, we introduced our Digital Tuesday drop-in sessions at selected VodafoneZiggo shops. Every week from 10 AM to 1 PM, both customers and non-customers can receive help from our skilled staff on everything from navigating phone settings and setting up video calls to guidance on useful apps. We actively collaborate with local networks, such as the library's Informatiepunt Digitale Overheid ('Digital government information point'), ensuring attendees are directed to the right assistance. Having piloted Digital Tuesdays in four shops in 2023, we aim to roll out this initiative to more shops in 2024.

Moreover, in 2023, we built the Huiskamer van Toen ('The living room of yesteryear'), a space that comes to life through 360° projections and takes elderly people through highlights from the rich seventy-year history of TV entertainment. This project, which toured residential homes as well as a 50+ exhibition for the elderly and was complemented by Welcome Online workshops, not only evoked a sense of nostalgia but also initiated dialogues about modern technology, smartphones and digitalisation, effectively connecting past and present.

DIGITAL AWARENESS

Even for so-called digital natives, using the internet safely and positively can be challenging. The Vodafone Foundation's Online Masters programme empowers youngsters with essential digital skills, as well as knowledge about the challenges and opportunities of digitalisation. By encouraging and enabling responsible technology use from an early age, we are helping to lay the foundations for a more digitally responsible and connected society. All modules – which include everything from sexting and fake news to future careers and personal growth – are designed to act as stepping stones to progress for young people, both in their own lives and within wider society.

In partnership with JINC, we also invited young people from socially disadvantaged backgrounds to Experience Days at seven VodafoneZiggo offices in 2023. This 'lightning internship' aims to help students at primary and vocational schools in deprived areas explore different career sectors and professions, so they can make informed decisions about their future.

In 2023, our digital skills initiatives, such as Welcome Online, Online Masters and Experience Days, made a positive impact on more than 194,000 people, thanks to our VodafoneZiggo volunteers and the funding received from the Vodafone Foundation.

Sustainability

PROGRESS FOR EVERYONE - PLANET

INDICATOR	SDGs	TARGET 2023	RESULT 2023	RESULT 2022
CO_2 emissions Scope 1, 2 and 3 (in kTon) ✓	7, 12	279 (target 2025)	315	390
CO_2 reduction compared to base year 2018 (for Scope 1, 2 and 3) (%)	7, 12	50 (target 2025)	44	30
Returned Ziggo equipment (%)	12	–	90	87
Main suppliers in EcoVadis (#)	9, 12	300	298	276

The indicators that fall within the scope of limited assurance of our external auditor are marked with the ✓ symbol.

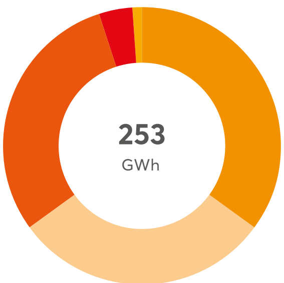
Environmentally friendly working

As data consumption increases, so does the need for energy to power the digitalisation of our homes and workplaces – putting ever-greater pressure on our planet. The cost of energy, meanwhile, is also rising. These considerations make it increasingly important for us to enhance the energy efficiency of our network while still ensuring connectivity for all our customers' devices. In addition to this, we are also reducing our environmental impact by making our offices, shops and data centres more sustainable.

FIRM FOUNDATIONS

At the organisational level, we successfully laid the foundations for more impactful future initiatives in support of our overarching environmental sustainability objectives (see *Supporting people and planet*). This included building a framework for collecting and analysing data to help us better monitor and manage our energy consumption. We also took the first steps in setting up a permanent team to drive energy plans and actions across the company. This group will build on the achievements of our Energy Crew experts, who continued to address a range of energy-efficiency challenges during the year.

ELECTRICITY CONSUMPTION 2023



ENHANCING ENERGY EFFICIENCY IN OUR NETWORK

As we navigate the ever-changing energy landscape, the current state of the electricity grid, combined with the inconsistent and insufficient supply of renewable energy sources, makes it impossible for us to rely solely on renewable sources. To help mitigate our CO_2 footprint, we purchase renewable Guarantee of Origin certificates from European wind energy for 100% of our electricity use (see *Impact of purchasing*).

Of the electricity our organisation consumes, 95% is used to keep our network running, with the remaining 4% and 1% used for our offices and shops respectively. Our efforts are therefore primarily directed towards making our network more energy efficient.

Our 2023 Energy Efficiency Index (kWh/GB) showed that our initiatives had enabled 39% greater efficiency than in 2020; that is, the energy required to process each unit of data (GB) for our customers decreased by 39% between 2020 and 2023. We achieved this despite a rise in overall customer data consumption.

Data traffic per domain	2023	2022	2021	2020
Mobile (in GB million)	433	341	304	231
Fixed (in GB million)	16,755	13,721	12,921	11,049

Energy efficiency index (kWh/GB)*	2023	2022	2021	base year 2020	EEI % 2023 vs 2020	EEI % 2022 vs 2020
Fixed	0.010	0.012	0.012	0.016	41%	27%
Mobile	0.251	0.300	0.367	0.484	48%	38%
Average	0.016	0.019	0.020	0.026	39%	27%

* The calculation of the Energy Efficiency Index (EEI) is founded upon the methodological principles established in the year 2020.

HARNESSING THE LATEST TECHNOLOGY

One important means of improving our network's energy efficiency is shutting down legacy systems and (where necessary) replacing them with more energy-efficient technology. In May 2023, for instance, we completed a major change to our mobile network, powering off our remaining 2,000 3G sites. By achieving this seven months ahead of the original scheduled date in December, we further increased our energy savings, by around 4.2 GWh.

We are not alone on our energy-reduction journey. We work hand in hand with vendors and suppliers who also set ambitious environmental targets and want to drive sustainable innovations (see *Impact of purchasing*). By engaging with partners on AI, machine learning and automation projects, we aim to optimise the energy use of our network and customer products.

For example, we have now stopped fuelling all our large emergency generators – used during grid outages – with B7 diesel, instead using hydrogenated vegetable oil fuel (HVO20) by default. In areas of our mobile network without grid connectivity, we use solar-powered generators to minimise emissions. If the battery runs out, the generator switches to lower-emission HVO100 fuel. Furthermore, we have already replaced two legacy generators with smart batteries powered by renewable energy. In the years ahead, we aim to install more such batteries, which automatically detect power outages and prevent network disruption for our customers.

DATA CENTRE SAVINGS

Energy reduction plans are also in place for our data centres. Several will be closed over the coming years and replaced by cloud services. Where we do need to keep our own on-the-ground data centres running to support customer demand, we are actively improving our energy efficiency.

So far, our data centre consolidation strategy has included shutting down 493 physical servers and 1,226 virtual servers across four different locations in Groningen, Emmen, Eindhoven and Arnhem, for electricity savings of 2.2 GWh in 2023. Meanwhile, in Tilburg, we are developing a plan to reuse the residual heat generated by our systems to heat local homes.

ENERGY-CONSCIOUS SHOPS AND OFFICES

While the energy consumption of our offices and shops is significantly lower than that of our network, we are no less committed to reducing our environmental footprint at these locations. Having introduced a policy of keeping shop doors closed at the end of 2022 in response to the impact of the energy crisis, we have now made this a permanent energy-saving measure for all shops (apart from those in indoor shopping centres). This contributed to a 32% reduction in natural gas consumption at our retail locations in 2023 compared to 2022.

Similarly, we saved energy in our offices by adjusting the thermostats based on the season, reducing the minimum temperature in winter and increasing the maximum temperature in summer. These changes contributed to the 10% gas consumption reduction we observed in our offices between 2022 and 2023.

ENVIRONMENTALLY CONSCIOUS EXCAVATIONS

Our operations and customers rely on our vast network of underground cables, the laying of which has a direct impact on the environment. In 2023, we implemented a new software specifically tailored to help us minimise any potential negative effects – such as water or soil pollution – and to ensure compliance with 2024's new environmental law ('Omgevingswet'). We also continued to audit our contractors and subcontractors to ensure they meet VodafoneZiggo's high expectations regarding environmental sustainability and work in line with relevant legislation (see *Impact of purchasing*).

SUPPORTING OUR CUSTOMERS

Working in an environmentally friendly way is not only good for our planet and wider society; it also enables us to deliver a better experience for our customers. Even though many of our energy-efficiency measures take place behind the scenes, the cost savings they generate can be reinvested into other, more visible parts of our business. These, in turn, can directly improve customer satisfaction in a range of areas, from more resilient networks to new entertainment services. Moreover, we anticipate that our fixed and mobile networks will increasingly be used to power smart devices with green applications, thereby enabling more environmentally sustainable ways of living and working in the years to come.

Sustainable products and services

For several years, VodafoneZiggo has been working to reduce the environmental footprint of our solutions. Together with our partners, we design sustainability into our products and services through an integrated approach that uses fewer raw materials, enables longer product lifetimes and encourages reuse.

MAKING MOBILE MORE CIRCULAR

In 2023, we continued to implement and promote our Reduce, Reuse, Repair, Recycle (4R) approach: encouraging Vodafone customers to extend the lifetime of their devices and to hand in end-of-life phones for recycling. Not only did the campaign help increase the number of phones traded in by 699% compared to 2022, but our sales of refurbished phones in 2023 also meant that we prevented more than 60 tonnes of CO_2 emissions*.

We bring 4R to life in various ways. Using e-sims, for example, means that, unlike in a traditional plastic SIM card, no raw materials are needed. Our Vodafone brand also launched a national media campaign in 2023, 'Geef je telefoon een langer leven' ('Give your phone a longer life'). Moreover, we decided to stop distributing mobiles to corporate customers outside the Netherlands, reducing the number of new devices we sell.

Meanwhile, in our shops, the Smartphone Scan tool helps customers diagnose whether their old model is still working effectively; if not, we now have more refurbished devices and accessories available as replacements than ever. More than 15,000 phones were handed in during the year, either in exchange for vouchers through our Vodafone Trade-In programme or for recycling by one of our partners such as Ecowave.

	2023	2022	YoY Change
Reused (trade-in)	9,458	1,183	+699%
Repaired	21,390	24,973	-14%
Recycled	6,339	1,628	+289%
Refurbished sold	1,381	1,349	+2%
Fairphones sold	337	322	+5%

SUPPORTING CIRCULARITY

In 2023, we researched why so many people are reluctant to hand in old and broken phones, often preferring to keep them at home, gathering dust. One of the main reasons we identified was that these devices often contain treasured memories or sensitive information – photos, conversations – that people can no longer extract from the phone, but still do not want to give up.

In February 2023, together with our technology partner, we set up a booth outside our Utrecht Central Office in the busiest shopping centre in the Netherlands. Here, over four days, people could bring old devices and have their information 'rescued' by tech experts. We were overwhelmed by not only the level of interest but also the emotional importance of this opportunity for many users of the service: what had started as a project to reduce e-waste ended up meaning more to people than we could have imagined. We will use these insights to further promote the return of inactive devices for recycling purposes.

* Manufacturing a mobile phone from our portfolio generates, in average, 44 kg CO_2. Refurbishing 1,381 mobile phones instead of manufacturing new ones therefore avoids the generation of 60,764 kg CO_2.

FIXED SOLUTIONS FOR SUSTAINABILITY

Under the Ziggo brand, the connectivity solutions in our fixed network enable more sustainable ways of working and living for business customers and consumers, such as cutting down commuter travel by enabling working from home with a reliable internet connection. At the same time, we recognise that connected devices can also have a negative impact, something we have long been working to reduce by, for instance, improving the energy efficiency of our network (see *Environmentally friendly working*), incorporating environmental considerations in our supplier tender processes (see *Impact of purchasing*) and reducing the amount of virgin raw materials in our set-top boxes and connectivity products.

AN INTEGRATED SMARTWIFI SYSTEM

The SmartWifi modem we launched together with Sagemcom in 2022 was joined in 2023 by our mesh SmartWifi 6 pods. Not only are all these devices made from 100% recycled plastic, but we have also developed the new pods to integrate seamlessly with a Connectbox modem, which now acts as a mesh WiFi access point in a home set-up. As a result, every household or home office with the newest modem needs one less power-consuming device to achieve the same WiFi coverage. Compared to a non-integrated two-pack mesh WiFi system, for instance, this reduces the CO_2 footprint by 28%.

MINI BOX, BIG IMPACT

Building on 2022's successful launch of the Mediabox Next Mini, our most sustainable entertainment box yet, we took the significant step of making this product the default for all new Ziggo customers in 2023. By the end of the year, over one million Next Mini mediabox enabled our customers to enjoy our high-quality entertainment offering while consuming four times less in-use energy than with its predecessor.

The default setting of the Next Mini is eco-mode, which, if the customer is willing to accept a 25-second loading time, reduces the device's power consumption substantially: from around 3 watts to around 0.35 watts. This is just one example of how VodafoneZiggo is actively engaging with people's growing environmental consciousness – and willingness to adapt their behaviour accordingly – to make a positive impact.

AVOIDING E-WASTE

Product circularity is central to our sustainability approach. We therefore provide Ziggo customers with boxes they can use to return (free of charge) certain hardware that is outdated, no longer functioning or simply unneeded – such as spare boosters made redundant by our SmartWifi 6 innovation.

In 2023, more than 90% of the video boxes, modems and WiFi boosters sent back to us were suitable for recycling or refurbishing, ready for reuse. We also continued to encourage customers to hand in end-of-life hardware for recycling at the Milieustraat or one of the 13,000 Wecycle recycling points located throughout the country.

Our end-to-end perspective looks far beyond our fixed and mobile products themselves; in fact, we aim to put these products into our customers' hands in the most environmentally sustainable way possible. Minimising the footprint of our packaging and logistics starts with using less material, which both saves resources and optimises delivery efficiencies.

For example, we have worked with partners to reduce the packaging volume of our Mediabox Next Mini by 60% compared to predecessors in 2021. This compact parcel is designed to fit through letterboxes, increasing the number of parcels fitting in the delivery van. Ultimately, this contributes to a 40% reduction in the overall carbon footprint, all while containing no single-use plastic.

On the mobile side, we increasingly use biodegradable materials – such as recycled cardboard and soya ink – and we have also embraced glue-free designs, lowering the toxicity of used packaging. An important next step is to fully digitalise the e-sim journey, reducing our logistics and packaging impact still further.

B2B SUPPORT

Many of our sustainability initiatives bring benefits for consumer and business customers alike, but we recognise that for our business customers – who, like VodafoneZiggo, are facing regulatory and consumer pressure to operate in more environmentally responsible ways – there is an extra dimension to keep in mind. We therefore work closely with our corporate customers to understand their plans and priorities and ensure our solutions support them in achieving their goals.

This provides opportunities for us, but also challenges. One of the biggest challenges we face is that although we are actively replacing older generations of customer premises equipment with more energy-efficient products, the benefits are partly offset by customers' ever-higher performance demands. We worked to gain a clearer picture of energy consumption at our customers' sites in 2023, and we will use these insights to inform the way ahead – both for our business and for theirs – in the years to come.

Sustainable mobility

Our mobility policy is not only a key feature of our overall employee benefits package, but also an important driver for us to reach our environmental sustainability goals. We are committed to significantly reducing the CO_2 emissions of our everyday mobility by reducing our travel where possible and using more sustainable modes of transport – on both four and two wheels.

MOVING IN THE RIGHT DIRECTION

Addressing emissions from mobility, which account for more than 70% of our Scope 1 and 2 CO_2 emissions, is a high priority for VodafoneZiggo within our environmental sustainability ambitions. We established a Mobility Expert Crew in 2023, holding monthly meetings that bring together colleagues representing different internal and external perspectives. Among other actions, the team is adapting our mobility policy to post-pandemic ways of working and taking measures to limit the impact of the increasing electricity consumption of our fleet. One of the team's biggest achievements in 2023 was purchasing, for the first time, renewable guarantee of origin certificates for 100% of the electricity consumed by our EV fleet during the year, thereby saving the equivalent of more than 700 tonnes CO_2.

USING TRANSPORT CONNECTIONS

Since 2018, we have offered all employees an NS Business Card, with which they can travel on the national public transport network first class, free of charge, even in their free time. More of our colleagues are choosing this option for business and private purposes: at the end of 2023, 90% of our workforce had one of these cards. We will encourage more people to take advantage of this benefit in 2024 and beyond. One way in which we support the use of public transport is by opening new sites in convenient locations: our new office in Leeuwarden, for instance, is within walking distance of the train station.

Meanwhile, we participate in the national 'Anders Reizen' ('Travel differently') coalition to promote sustainable business travel. Thomas Mulder, Executive Director HR, serves as a board member for 'Anders Reizen' and our CEO attends its general meetings; we also take part in the coalition's e-van sub-committee.

ELECTRIC VEHICLES

The electrification of the VodafoneZiggo lease fleet – vehicles used by our technicians and 'ambulant' colleagues – continues (see *Diesel to electric, lightning-fast*). At the end of 2023, the proportion of electric cars and vans within the total fleet had increased to 43%. Because of a decrease in the number of kilometres being driven, vehicles in our legacy fleet are lasting longer than expected, meaning progress is slower than we had originally planned. As of January 2024, however, no new fossil-powered cars will be added to our fleet, and our target is to reach more than 90% electrification by the end of 2027.

		December 2021 Actual	December 2022 Actual	December 2023 Actual	December 2024 Forecast	December 2025 Forecast	December 2026 Forecast	December 2027 Forecast
Company vehicles	Petrol	6	6	6	4	4	1	0
	Diesel	572	522	320	250	30	2	1
	Electric	0	10	160	276	496	527	529
Lease vehicles	Petrol	454	455	370	277	166	101	72
	Diesel	190	109	35	59	48	47	0
	Electric	156	207	398	435	481	501	530
Total		**1,378**	**1,309**	**1,289**	**1,301**	**1,225**	**1,179**	**1,132**

We recognise that the most sustainable journey is no journey at all. Under our hybrid-work pilot (see *Employer of choice*), many of our employees travel less frequently than they did before the pandemic. In 2024, we will review which positions are eligible for a lease car, with a view to reducing the size of our fleet.

One aspect of the wider electrification transition that we are keeping a close eye on is the state of the charging infrastructure needed to power battery vehicles. This is relevant not only in terms of charging station availability across the Netherlands, especially in rural areas, but also because charging a vehicle requires a lot of electricity, which is currently not always renewably sourced.

We will continue to monitor developments and explore solutions for our mobile employees, such as installing charging points at our technicians' homes. By the end of 2023, VodafoneZiggo had installed charging stations at the homes of 42% of technicians driving vans and 78% of technicians driving cars. We also work with partners including Circet and Guidion to plan daily routes that are as energy efficient as possible.

TWO-WHEELED TRAVEL

E-bikes are a great option for greener mobility and are increasingly popular among our technicians, particularly in bigger cities. In 2023, 23,936 appointments were attended by technicians travelling via e-bike – a 74% increase versus 2022 – and we also welcomed our first technician without a driving licence who will carry out all his home visits via e-bike.

PILOTING PEDAL POWER

We piloted a voluntary e-bike programme in Tilburg in the summer of 2023, with the aim of changing people's mindsets around getting from A to B. Uptake varied according to the weather conditions, but we aimed to counter the rain with covers to keep people drier and more comfortable on their journeys. The response from our teams was positive: not only do e-bikes save time and energy compared to e-vans, but they also support people's health and well-being.

Meanwhile, some members of our team keep e-scooters ('e-steps') in their (e-)vans, meaning they can travel the last part of their journey in an even more energy-efficient way.

E-bikes and e-scooters also contribute to a positive customer experience: in our surveys, 71% of e-biker technicians are awarded five stars, versus 67% of technicians travelling by conventional mobility. Our customers appreciate being visited by technicians who use green means of transport not only because they know they are receiving a more sustainable service, but also because they are given a special gift of plant seeds. Part of our 'random acts of kindness' initiative (see *Exceptional customer experience*), this gesture helps to raise awareness of VodafoneZiggo's efforts to reduce our CO_2 footprint as well as delighting customers with a planet-positive surprise.

Impact of purchasing

On an annual basis, VodafoneZiggo purchases goods and services worth more than €2 billion from around 1,800 different suppliers in the Netherlands and beyond. As one link in a long value chain, we recognise that we are only as strong as our weakest connection. We work closely with our partners to constantly improve the sustainability – both ethical and environmental – not only of our operations, but also of the entire value chain.

GEARING UP FOR COMPLIANCE

The EU's Corporate Sustainability Reporting Directive (CSRD) and the forthcoming Corporate Sustainability Due Diligence Directive (CSDDD) both have important implications for our procurement activities, particularly in relation to our Scope 3 emissions (the indirect emissions that occur in our upstream and downstream value chain). From the reporting year 2025, we will be required to make more in-depth disclosures on the environmental, social and governance (ESG) performance of our value chain as well as on our own activities.

In 2023, therefore, we worked hard to prepare our organisation and our partners to ensure we can fulfil these requirements. At the same time, our efforts represented the natural continuation of our responsible purchasing approach. We recognise that, given the large size of VodafoneZiggo's value chain and the complexity of the world in which we operate, achieving an overnight transformation is an unrealistic aim. Instead, over the past few years, we have been steadily increasing the sustainability demands we make of our suppliers. We will continue to hold ourselves and our value chain to higher and higher standards, accelerating our collective progress.

SETTING STANDARDS

Our Code of Sustainable and Ethical Purchasing lays out what we expect from all our suppliers in the areas of human rights, business integrity, environmental footprint and more. This document forms the basis of our supplier agreements, such as those relating to working conditions in overseas contact centres. In February 2023, we updated the code in line with the latest relevant legislation. We also added a powerful new statement from our CEO and CFO, explaining why these requirements are so important to VodafoneZiggo and calling on our partners to work together with us to fulfil them.

EMBEDDING SUSTAINABILITY IN TENDERING

By the end of 2023, we had integrated corporate social responsibility (CSR) questions into all VodafoneZiggo tenders, exceeding our 80% target. To do this, our Procurement team worked with CSR colleagues and other business stakeholders to identify questions and criteria that encourage suppliers to make proposals for measurable contributions to our people and planet goals (see *Supporting people and planet*). Depending on the impact of the product or service, CSR considerations are given a weighting of between 10% and 20% in our scoring criteria. For 2024 and beyond, we have set the target of including CSR questions in 100% of our tenders.

AUDITING AND INSPECTIONS

As well as setting out our expectations of suppliers, we monitor their ESG performance to ensure they adhere to our requirements. VodafoneZiggo's Environmental Management team assesses a selection of our partners every year, with the support of our CSR department.

Through our parent companies, Vodafone Group and Liberty Global, we are also supported by the telecom industry's Joint Audit Committee (JAC) initiative. Collectively, JAC carries out international audits, including on-site inspections, of the social, ethical and environmental sustainability performance of influential suppliers, including providers of phone handsets, network equipment manufacturers and WiFi hardware.

ACTING ON INSIGHTS

The sustainability ratings platform EcoVadis is another important monitoring tool. By the end of 2023, we had successfully onboarded 298 of our main suppliers onto the platform. We are aiming for 325 and 350 in 2024 and 2025 respectively. While acknowledging that EcoVadis primarily measures the availability of data and the presence of policies rather than performance itself, we believe this information provides valuable insights into our key partners' activities across the four EcoVadis assessment pillars: environment, labour and human rights, ethics and sustainable procurement.

We want our suppliers to score at least 50/100, which is the threshold for a bronze medal. As well as supporting them in reaching this score, we also encourage those that are already above this level to improve even further. In 2023, we issued more than 70 corrective action plans, tailored to fit each supplier's area(s) of weakness as identified by the EcoVadis assessment. In 2024 and 2025, we aim to develop at least 80 corrective action plans, depending on the performance of our suppliers. We see this as a collaborative process between VodafoneZiggo and the supplier (and sometimes

"WE WILL CONTINUE TO HOLD OURSELVES AND OUR PARTNERS IN THE VALUE CHAIN TO HIGHER AND HIGHER STANDARDS."

the supplier's other customers), working actively with the partner to help them understand what is required and how to achieve this.

In addition to the baseline EcoVadis assessment, we used its specific carbon action module in 2023. By stimulating our suppliers to share their carbon-reduction policies, goals and data, we can build a clearer picture of their GHG emissions and waste. We intend to use these valuable insights to refine the calculation of our own value chain footprint.

GOING FOR PLATINUM

VodafoneZiggo also undergoes an annual EcoVadis assessment. In 2023, we achieved a score of 72/100, improving on our 2022 score and again earning a gold medal. We aim to further improve our EcoVadis score, using this as motivation to accelerate our ESG performance relating to both the direct impact of our organisation and the indirect impact we have through our value chain. Our ultimate goal is to earn the Platinum medal, putting us in the top 1% of all rated companies.

PURCHASING RENEWABLE ENERGY

In 2023, we renewed our purchasing contract for 100% Guarantee of Origin-certified renewable electricity. Having also secured 100% European Wind certificates for 2024, we are now looking into the possibility of signing long-term Power Purchase Agreements (PPAs) from 2026 onwards. For more information on how we are improving the sustainability of our network, see *Environmentally friendly working*.

PUTTING PEOPLE AND PLANET FIRST

It can be a challenge to balance the goal of responsible purchasing with the need to procure high-quality products that support us in providing an exceptional customer experience. Nevertheless, we believe our Progress for Everyone ambitions should not come at the expense of other people or of our planet. In the years ahead, we will continue to improve, monitor and report on the sustainability of purchasing at VodafoneZiggo, while driving stronger performance and greater transparency along our value chain. This in itself brings indirect benefits for customers, who are increasingly seeking out products and services with a more positive impact on society.

Our 2023 results

Financial performance

2023 FINANCIALS AT A GLANCE

We measure our success through key performance indicators that reflect our strategic, and financial progress and performance.

REVENUE
in € millions

4,115 2022: 4,066

ADJUSTED EBITDA AL
in € millions

1,803 2022: 1,894

CAPEX ADDITIONS
in € millions | % of revenue

898 2022: 948

21.8% 2022: 23.3%

OPERATIONAL FREE CASH FLOW
in € millions

905 2022: 946

SHAREHOLDER CASH DISTRIBUTIONS
in € millions

302 2022: 602

COVENANT LEVERAGE RATIO

4.59x 2022: 4.49x

For definitions, see sections *Alternative performance measures* and *Glossary*.

DELIVERING ON OUR FINANCIAL TARGETS YET AGAIN

We delivered on all our 2023 financial targets, by realising strong customer and revenue growth in mobile and business-to-business (B2B) and delivering Adjusted EBITDA AL as planned. Our converged, mobile postpaid and B2B customers continue to grow for the seventh consecutive year. The aforementioned customer growth and disciplined price actions have supported the return to revenue growth in 2023, by 1.2%, more than compensating the impact of customer base decline in our B2C fixed segment.

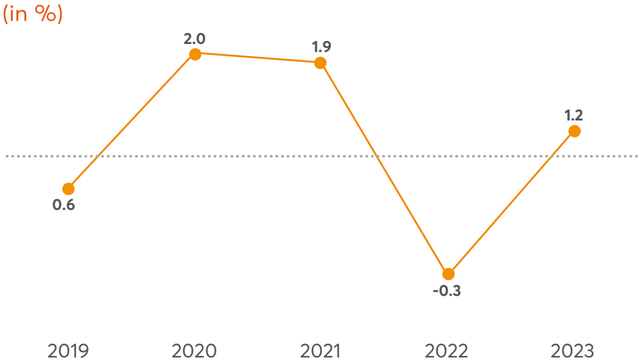
In early 2023, we anticipated approximately €100 million cost inflation headwinds, predominantly from energy and wage increases, which negatively impacted our Adjusted EBITDA AL performance. The total cost inflation headwinds came just under €100 million, resulting in 4.8% year-on-year decline in Adjusted EBITDA AL, despite a healthy growth in revenue and sales margin. Furthermore, we invested €897.7 million (21.8% of our revenue) into our networks and services to expand our network capacity and coverage as well as to continuously improve customer experience. Through a healthy free cash flow generation and strong financial position, we delivered shareholder cash distributions of €302.2 million.

Ritchy Drost, CFO VodafoneZiggo, commented:

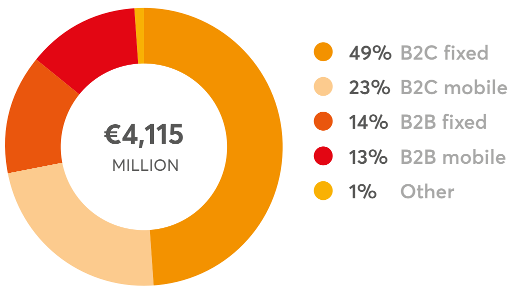
"I am proud that we delivered, yet again, on all our financial targets for 2023. In the year where we were confronted with elevated cost inflation and competitive broadband market, our results speak for themselves as we continue to execute our strategy to grow our converged, mobile and B2B customer base, underpinning our return to revenue growth. With around €900 million of capital investments, we continue to play a vital role in realising the Dutch Gigabit society, supported by our solid balance sheet and liquidity."

	2023 results	2023 guidance
Adjusted EBITDA AL growth	-4.8%	Low to mid-single digit decline
Capex-to-revenue ratio	21.8%	21% - 23%
Shareholder cash distributions	€302.2 million	€300 - 400 million

REVENUE GROWTH PER YEAR
(in %)



REVENUE PER SEGMENT IN 2023

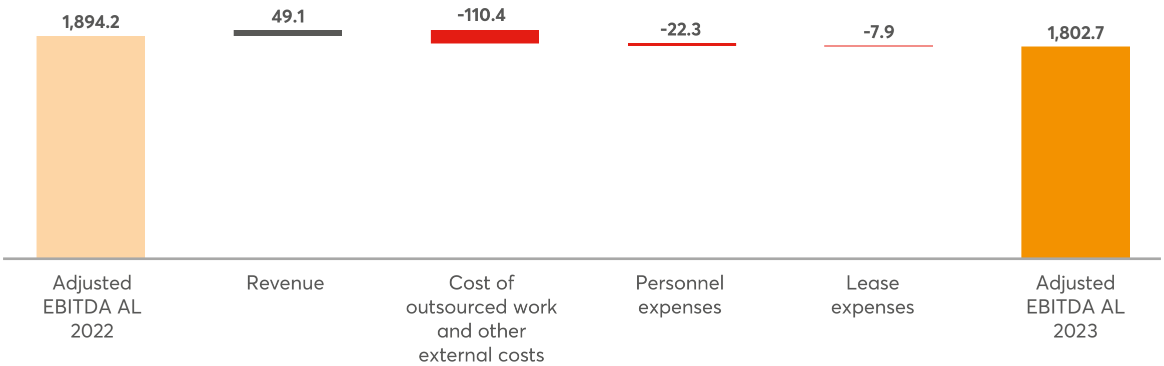


REVENUE

Our revenue returned to year-on-year growth in 2023 and increased by 1.2% to €4,114.7 million, as higher average revenue per unit (ARPU) and strong customer growth in mobile postpaid and B2B more than compensated the impact from the decline in our B2C fixed customer base. We added 20,300 organic converged households, 144,900 organic mobile postpaid SIMs and 24,400 organic B2B broadband subscribers for the year. The 124,400 decline in our B2C fixed customer base is primarily driven by increased promotional activities in the market.

Revenue in B2C fixed declined by 1.3% year-on-year to €2,009.7 million, reflecting the customer base decline and lower out of bundle usage, partially compensated by the effect of our annual price indexation.

ADJUSTED EBITDA AL
(in € million)



Revenue in B2C mobile grew by 6.7% year-on-year to €971.0 million, primarily driven by (i) 77,700 mobile postpaid SIMs growth, (ii) 1.7% postpaid ARPU growth driven by price indexation, and (iii) handset sales growth.

Revenue in B2B fixed grew by 3.9% year-on-year to €561.5 million, primarily driven by growth in SoHo and our unified communication portfolio.

Revenue in B2B mobile grew by 0.1% year-on-year to €544.0 million, primarily driven by (i) 67,200 mobile postpaid SIMs growth, (ii) higher IoT revenue, partially compensated by (iii) lower national and roaming out of bundle revenue, and (iv) price pressure in the large corporate segment.

ADJUSTED EBITDA AL

Adjusted EBITDA AL decreased by €91.5 million or 4.8% year-on-year to €1,802.7 million, primarily reflecting the elevated cost inflation. The growth in revenue and sales margin was compensated by €98.5 million cost inflation impact, primarily from higher energy and wage costs. Cost of outsourced work and other external costs increased by €110.4 million, primarily driven by higher energy prices and higher average costs per mobile handset sold, partially compensated by lower programming cost following contract renewals and expirations. Our personnel expenses increased by €22.3 million, mainly due to higher average costs per FTE and an increase in the average number of FTEs throughout the year.

Operating profit

Our operating profit (EBIT) declined from €378.8 million in 2022 to €238.2 million in 2023, representing a decrease of €140.6 million. The decline in our operating profit is primarily driven by (i) the aforementioned decrease of our Adjusted EBITDA AL by €91.5 million, (ii) higher charges for impairment, restructuring and other operating items, net, of €28.9 million, mainly due to the recognition of a provision for litigation during 2023, associated with a VAT dispute with the Dutch tax authorities relating to the period 2017-2018, and (iii) an increase of our amortisation and depreciation expenses (excl. lease-related depreciation) of €22.3 million, mainly due to a higher average depreciable balance of property and equipment and software.

Net finance result

Our net finance result changed from net finance income of €186.8 million in 2022 to net finance costs of €813.3 million in 2023, representing a decrease of €1,000.1 million. The decrease is primarily driven by the net effect of (i) a decrease in our derivative portfolio result of €1,450.0 million, mainly due to weakening of the US dollar against the euro and higher interest rates, (ii) an increase in foreign currency transaction results of €534.2 million, (iii) an increase in interest expenses (excl. impact of derivative instruments) of €150.8 million, mainly due to higher interest rates on variable interest rate debt and (iv) the impact of refinancing activities in 2022, resulting in losses on debt extinguishment of €71.1 million.

Income taxes

In 2023 and 2022, we recognised an income tax benefit (expense) of €98.5 million and (€200.9 million), respectively.

In 2023, our income tax benefit represents an effective tax rate (ETR) of 17.1%, which is lower than the nominal tax rate of 25.8%. This is primarily driven by limitations in interest deduction to 20% of fiscal EBITDA as of 1 January 2022, limiting our ability to recover non-deductible interest.

In 2022, our income tax expense represented an ETR of 35.2%, which was higher than the nominal tax rate of 25.8% as a result of the aforementioned limitations in interest deduction as of 1 January 2022.

Net result

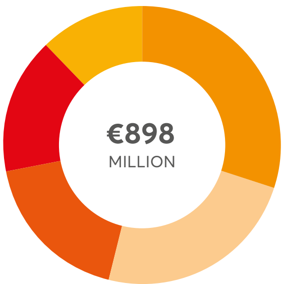
In 2023, we reported net loss of €476.6 million, compared to net earnings of €369.3 million in the prior year. The decrease in net result is primarily due the negative impact of (i) a decrease in net finance result of €1,000.1 million and (ii) a decrease in operating profit of €140.6 million. The negative impact of these items was partially compensated by a lower income tax charge, net, of €299.4 million. Additional details regarding above changes in net result are explained in the preceding paragraphs of this section.

Capex additions

In 2023, we invested €897.7 million (or 21.8% of our revenue) into, among others, expanding our network capacity and coverage of our nationwide 1 Gigabit speed fixed network and 5G mobile network. We also invested heavily into our products, by continuing to deliver the next generation of our TV platform Mediabox Next and its smaller and more sustainable version, Mediabox Next Mini as well as WiFi signal amplifier SmartWifi pods to our customer homes. At the end of 2023, around 1.8 million customers have the newest generation TV watching experience and 1.8 million customers have at least one SmartWifi pod at home. This represents 50% video base and 55% broadband base penetration, respectively.

Our total investments in 2023 represent a decline compared to our investments in 2022 of €948.2 million (or 23.3% of revenue), primarily driven by lower customer premises equipment and network equipment inventory levels. These investments show our commitment to the success of VodafoneZiggo and hence benefiting our customers through investments in innovative products and services and our high-quality future-proof infrastructure.

BREAKDOWN OF CAPEX ADDITIONS IN 2023



- 30% Capacity
- 24% Customer premise equipment
- 18% Product and enablers
- 16% Baseline
- 12% New build and upgrades

Operational free cash flow

Operational free cash flow is defined as Adjusted EBITDA AL minus Capex additions. In 2023, our operational free cash flow decreased year-on-year by €41.0 million to €905.0 million. The decrease in our operational free cash flow is primarily attributable to the aforementioned decline in Adjusted EBITDA AL.

Cash flows

Net cash provided by operating activities amounted to €1,324.6 million in 2023, representing a decrease of €135.7 million compared to 2022. The decrease is primarily attributable to the net effect of (i) a decrease in the cash provided by our adjusted EBITDA AL and related working capital changes and (ii) higher cash paid for income taxes.

Net cash used in investing activities increased year-on-year by €98.3 million to €587.6 million in 2023. The increase is primarily driven by (i) a decrease in assets acquired under capital-related vendor financing arrangements and (ii) a decrease in liabilities associated with Capex, partially compensated by (iii) a decrease in Capex additions.

Net cash used by financing activities decreased year-on-year by €408.0 million to €711.7 million in 2023. The decrease is primarily driven by (i) a decrease in equity distributions to our shareholders, (ii) a decrease in cash used following lower net repayments for vendor financing, (iii) lower payments of financing and debt premiums, partially compensated by (iv) an increase in net repayments of third-party debt.

Resilient balance sheet

We have a resilient balance sheet and strong liquidity position with total assets of €17.8 billion at the end of 2023 and managed to maintain our covenant leverage ratio* at 4.59x, at the lower end of our capital structure policy range of 4.5x to 5x. Furthermore, our capital structure policy is to provide for an economic hedge, ensuring that we are hedged against foreign currency exchange rate movements and increases in interest rates on our variable-rate debt.

For an overview of our risk management and exposure to credit risk and counterparty credit risk, liquidity and cash flow risk and market risk, refer to *note 18.2* to our consolidated financial statements.

On 31 December 2023, our total third-party debt (excluding vendor financing, handset financing and lease obligations) was €10.0 billion, which is a decrease of €0.2 billion from 31 December 2022, all due to the weakening of the US dollar against the euro.

* Calculated as total net debt to last two quarters annualised covenant EBITDA.

When taking into consideration the projected principal-related cash flows associated with our cross-currency derivative instruments, the total covenant amount of third-party gross debt was €9.1 billion at 31 December 2023, which is unchanged compared to 31 December 2022.

On 31 December 2023, our covenant leverage ratio was 4.59x. This was calculated in accordance with our most restrictive covenants and reflecting the Credit Facility Excluded Amount as defined in the respective credit agreements. Vendor and handset financing obligations are not included in the calculation of our leverage covenants.

On 31 December 2023, our fully-swapped third-party debt borrowing cost was 4.0% and average tenor of our third-party debt (including vendor and handset financing obligations) was 5.8 years, which is in line with our capital structure policy to maximise our tenor and proactively term-out our debt. €9.4 billion of our third-party debt is not due until 2028 and thereafter.

In December 2023, we amended our revolving facility to provide for an additional €50.0 million of borrowing capacity and the revolving facility was split into two tranches. Revolving Facility G1 has a maximum borrowing capacity of €125.0 million and matures in 2026. Revolving Facility G2 has a maximum borrowing capacity of €725.0 million and matures in 2029. This brings the total commitments under our Revolving Facilities to €850.0 million, further strengthening our liquidity profile.

Our equity on 31 December 2023 amounted to €1.9 billion, a decrease of €0.7 billion compared to 31 December 2022. The decrease in our equity was driven by our comprehensive loss for the period of €476.6 million and equity distributions to our shareholders of €200.0 million.

Sustainable capital structure

Following the launch of our Sustainable Finance Framework and the issuance of our €700 million Green Bond and €2.1 billion or equivalent Sustainability Linked Bonds, we further expanded our efforts to build a sustainable capital structure.

In the first quarter of 2024, we successfully linked three ESG-related KPIs to our extended Revolving Facilities. The three KPIs support our ambition to reduce our Scope 1 and 2 CO_2 emissions (KPI 1), Scope 3 CO_2 emissions (KPI 2) and to increase the number of women in people leader roles (KPI 3). Each KPI will have its own (proposed) annual target set until 2029 with a total margin adjustment of up to +/- 5 bps.

By linking the performance of ESG-related KPIs to our financing instruments, we strengthen our commitment to realise our Progress for Everyone ambition - previously known as People, Planet, Progress - and further integrate our CSR strategy into our capital structure policy.

Shareholder cash distributions

In 2023, we distributed €302.2 million to our shareholders, Vodafone Group and Liberty Global. The cash distributions consisted of equity distributions of €200.0 million and interest payments on the Shareholder Notes of €102.2 million. The equity distributions were in line with our capital structure policy to distribute any excess cash back to our shareholders.

The 2023 cash distributions were lower than 2022, primarily driven by higher cash paid for corporate income taxes and lower Adjusted EBITDA AL. The distributions were funded from our own healthy free cash flow generation, without increasing debt nor limiting investments in our business.

OUTLOOK

We remain focused on executing our commercial actions to improve our broadband performance in our B2C segment and maintain strong momentum in mobile and B2B into 2024. Our underlying performance remains healthy and we expect to deliver revenue growth in 2024. Cost inflation headwinds from 2023 are expected to turn into tailwinds, and together with the expected revenue growth, will support low single digit growth in Adjusted EBITDA AL. We continue to reinvest more than 20% of our revenue in our networks, products and services in 2024, positioning the business for mid-term and long-term growth.

Our 2024 guidance reflects the expected growth momentum in mobile and B2B:

- Low single digit growth in Adjusted EBITDA AL, supported by revenue growth.
- 21% to 23% of Capex additions as % of revenue.
- Up to €300 million total cash available for potential shareholder distributions and non-recurring investments.

"BY LINKING THE PERFORMANCE OF ESG RELATED KPIs TO OUR FINANCIAL INSTRUMENTS, WE STRENGHTEN OUR COMMITMENT TO REALISE OUR PROGRESS FOR EVERYONE AMBITION."

Corporate governance

VodafoneZiggo Group Holding B.V. is a private limited liability company under Dutch law and is subject to the mitigated large company regime. VodafoneZiggo's Central Office is located in Utrecht. The company has a two-tier governance structure, with a Management Board and a Supervisory Board.

SHAREHOLDERS

VodafoneZiggo is a 50/50 joint venture between Vodafone Group and Liberty Global. Both shareholders and VodafoneZiggo have entered into a Shareholders' Agreement that, among other things, contains provisions on the governance of VodafoneZiggo. The shares in VodafoneZiggo Group Holding B.V. are held by Liberty Global Benelux B.V. (50%) and Vodafone Europe B.V. (50%), which together form the General Meeting. The General Meeting adopts the company's financial statements and decides on the grant of discharge to the members of the Management Board for the management conducted and to the members of the Supervisory Board for the supervision exercised during the financial year. In addition, the General Meeting also decides on distributions to the shareholders and the appointment of Management Board and Supervisory Board members. Resolutions of the General Meeting are mainly adopted without holding a meeting, with the Management Board and Supervisory Board members given the opportunity to give advice prior to the resolution-making.

MANAGEMENT BOARD AND SENIOR LEADERSHIP TEAM

VodafoneZiggo's Management Board consists of the company's Chief Executive Officer (CEO) and its Chief Financial Officer (CFO). The Management Board is responsible for the overall management of the company. The CEO and CFO have been appointed by the General Meeting for an indefinite period. In addition to the Management Board, VodafoneZiggo also has a Senior Leadership Team (SLT), which oversees day-to-day operations of the company and is responsible for developing a long-term vision and for formulating and implementing the company's strategy. The SLT consists of the CEO, the CFO and seven Executive Directors, who collectively represent VodafoneZiggo's eight business units:

- Business-to-Consumer
- Business-to-Business
- Customer Operations
- Technology
- Strategy, Insights & Digital Transformation
- Human Resources
- External & Legal Affairs
- Finance

The SLT works closely with the Senior Management Team (SMT). This is a group of around 55 experienced directors and senior managers from across the company's business units. The SMT's role is to support the SLT in the day-to-day management of the company, including its about 6,800 employees as of 31 December 2023.

SUPERVISORY BOARD

VodafoneZiggo's Supervisory Board advises the Management Board and supervises its policies and decisions. In doing so, the Supervisory Board is, just as the Management Board is in the performance of its duties, guided by the interests of the company and its affiliated enterprise, but it also considers the interests of the company's stakeholders. The Supervisory Board regularly discusses the company's strategy, the implementation of the strategy and the associated risks, both among its own members and with the Management Board. Under the company's governance structure, certain Management Board decisions require prior approval of the Supervisory Board.

The Supervisory Board consists of eight members who are appointed or reappointed by the General Meeting after being nominated by the Supervisory Board:

- Three representatives of Liberty Global.
- Three representatives of Vodafone Group.
- Two independent members on the recommendation of VodafoneZiggo's Works Council.

One of the members of the Supervisory Board is appointed as Chair; this position rotates annually between a Liberty Global representative and a Vodafone Group representative.

The Supervisory Board has adopted regulations that set out its governance and role in more detail, including rules relating to the exercising of duties and authorities, to decision-making and to meetings and interaction with the company's external auditor. These regulations also contain a profile describing the desired composition of the Supervisory Board, which considers, among other factors, the nature and size of the company and the desired expertise and background for individual members. This profile is used by the Supervisory Board to guide its nominations for appointments and reappointments.

The Supervisory Board is supported by the Company Secretary, who ensures that the correct procedures are followed and that the Supervisory Board fulfils its obligations under the law and the articles of association and that its regulations are duly observed. The Company Secretary assists the Chair of the Supervisory Board with organisational tasks (including circulating information to Supervisory Board members and preparing meeting agendas and minutes).

COMMITTEES

The Supervisory Board has two committees consisting of members of the Supervisory Board: the Audit, Risk & Compliance Committee and the Remuneration & Nomination Committee. The committees provide the Supervisory Board with advice and recommendations and undertake preparatory work for decision-making by the Supervisory Board.

- The main role of the Audit, Risk & Compliance Committee is to oversee the accuracy, integrity and quality of the company's financial reporting, the effectiveness of the company's internal risk management and control systems and the performance of the internal audit department and external auditor.
- The main role of the Remuneration & Nomination Committee is to oversee the company's remuneration policy, performance and succession planning of VodafoneZiggo's senior management.

For more information about the activities of the Supervisory Board during 2023, please see the *Report of the Supervisory Board*.

EMPLOYEE PARTICIPATION

VodafoneZiggo has a Works Council representing the company's employees. The Works Council has 25 members from across VodafoneZiggo's business units and operates through various sub-committees and working groups, supported by an official secretariat. The sub-committees include the Employment Conditions Committee, the Health, Safety & Well-being Committee and committees for specific business units. Under the Dutch Works Councils Act (WOR), the Management Board must submit certain decisions to the Works Council for its advice or consent. When assessing these decisions, the Works Council considers the interests of both employees and the company as a whole. Regular Works Council meetings are held every two weeks. Every six weeks, a meeting takes place with members of the Management Board. During this meeting, the CEO, CFO and/or Executive Director HR updates the Works Council. Current and upcoming requests for advice or consent are also discussed, and there is an opportunity for Works Council members to ask questions. Twice a year, the overall state of affairs within the company is discussed, along with shareholder representatives. Works Council elections take place once every three years. The most recent elections were held in September 2022.

EXTERNAL AUDITOR

The external auditor is responsible for auditing the financial statements. The external auditor communicates its findings to the Management Board, the Audit, Risk & Compliance Committee and the Supervisory Board. Every year, the external auditor explains its findings in a meeting of the Audit, Risk & Compliance Committee. During this meeting, an opportunity is provided to the Audit, Risk & Compliance Committee to discuss any questions with the auditor. KPMG Accountants N.V. has been appointed as external auditor for the 2023 financial year. For the independent auditor's report of KPMG Accountants N.V. for the 2023 financial year, see *Independent auditor's report*.

Tax contribution report

VodafoneZiggo is committed to acting with integrity, honesty and transparency in all tax-related matters. We recognise the societal contribution we make by paying a fair share of tax and therefore align our tax strategy with our company purpose and values. Our approach includes adhering to corporate governance standards and providing full transparency by adequately disclosing the taxes paid in addition to the information provided in our financial statements. Here we present information about our tax strategy and contributions in 2023.

TAX STRATEGY AND PRINCIPLES

We handle taxation responsibly all across our business – from the company level to the product level and from costs to profits. Taxes are collected on behalf of the company and behalf of customers, employees and service providers. As VodafoneZiggo, we believe that a responsible tax approach is essential for good corporate citizenship, taking long-term considerations into account and carefully weighing the interests of our stakeholders. Our overall objective is to comply with all applicable tax laws and regulations and effectively manage our tax position and risks through robust processes and controls. To clarify what this means in practice, VodafoneZiggo has developed a tax strategy, guided by the following principles described hereunder.

MANAGING OUR TAX POSITION

Tax is an integrated part of doing business. The business and its commercial needs are the priority, so VodafoneZiggo's Tax department will act where possible in a way that supports VodafoneZiggo's overall purpose.We strive to ensure maximum value for shareholders through tax-efficient approaches – for example, avoiding double taxation when possible. However, shareholder value and/or commercial need will in no circumstances override our compliance with applicable laws and regulations. We consider both the letter and the spirit of laws and regulations in all tax matters.

COMPLIANCE AND REPORTING

We prepare and submit our tax returns and tax filings and pay our taxes promptly and in accordance with all applicable laws and regulations. Our approach to tax and our tax positions is transparent. Disclosures are made in accordance with the relevant domestic regulations, as well as applicable reporting requirements and standards.

MANAGING TAX RISKS

VodafoneZiggo engages with tax authorities based on mutual trust, understanding and transparency. We provide the tax authorities with all required information within a reasonable timeframe and discuss current tax issues proactively and transparently to ensure timely and efficient compliance. We work to an Individual Monitoring Plan designed by the Dutch tax authorities, in line with the policy for the 100 largest companies in the Netherlands.

The VodafoneZiggo Tax department may engage in tax planning initiatives and make use of incentives promoted by government authorities. However, when doing so, due consideration is paid to VodafoneZiggo's legitimate interests, reputation, brand and corporate social responsibility. We adhere to our Tax Control Framework, which enables VodafoneZiggo to proactively manage its tax risks. Our Tax department is part of the Finance department, reporting to the CFO, and includes specialists in direct and indirect taxes, payroll taxes, transfer pricing, tax compliance and reporting.

Tax is a standing item on the VodafoneZiggo Audit, Risk & Compliance Committee's agenda. The VodafoneZiggo Tax Director updates the Audit, Risk & Compliance Committee on the material tax risks and mitigating actions taken. The VodafoneZiggo Audit, Risk & Compliance Committee oversees VodafoneZiggo's tax position as a core part of corporate responsibility and governance.

GOVERNANCE

VodafoneZiggo's Tax department is involved in the planning, implementation and documentation of business proposals, significant transactions and changes in the corporate structure. In accordance with our internal governance guidelines and Tax Control Framework, relevant tax matters are reviewed and approved by the Tax Director and, as appropriate, by members of the Senior Leadership Team. The Tax Director and Tax department ensure that senior management and relevant employees understand and adhere to VodafoneZiggo's tax principles and ensure general tax awareness throughout the organisation.

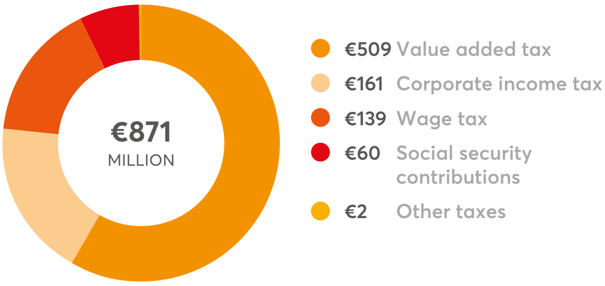
For details on our income tax positions and tax-related contingencies, refer to *notes 7 and 20* to our consolidated financial statements.

TAX CONTRIBUTION

Taxes collected and paid by VodafoneZiggo in 2023 include:

- **Direct taxes:** including corporate income tax, municipal taxes and other taxes (for example, real estate tax).
- **Indirect taxes:** taxes collected by and paid by VodafoneZiggo on behalf of governments, such as value added tax, wage tax, social security contributions and other taxes (for example, energy tax).

TAX CONTRIBUTION IN 2023



Risk management

Effective risk management is crucial for VodafoneZiggo, helping us identify and mitigate potential threats that could adversely impact our people, operations, finances and reputation. By proactively addressing risks, we aim to enhance our decision-making, safeguard our assets and maintain resilience in the face of uncertainties. Ultimately, our robust risk management strategy contributes to our sustainable growth, our stakeholders' trust and the overall success of our organisation.

RISK CULTURE

We face various risks and uncertainties that could impact our strategic initiatives. As a result, our approach to risk, in both our organisational culture and our daily management, is an essential component of our strategy. VodafoneZiggo's attention for creating a risk culture is the glue that binds all elements of our risk management together. It reflects our strategy, values, objectives, processes and practices that embed risk into our decision-making processes. We continuously work on improving our risk culture to ensure that everyone understands the organisation's approach to risk and their personal responsibility to manage risk in everything that we do.

To ensure we promote the right risk culture across the company, VodafoneZiggo has identified key topics, listed in our Code of Conduct.

- Behaviour: We work according to our core values (Open Up, Team Up, Step Up) and with respect and equal opportunities for everyone.
- Health, safety and well-being: We work in a safe and responsible manner. Everybody knows and respects the rules and regulations.
- Communication: We do not share sensitive and confidential information with external parties, not even informally.
- Company assets and information: We handle company assets, intellectual property and data with due care.
- Compliance with the law: We have zero tolerance for fraud, bribery, conflicts of interest and insider trading.
- Social commitment and the environment: We use our technology in an ethical and responsible way.
- Speak Out!: We pay attention and speak out when we see something that does not seem right, even when we are not sure.

OUR RISK MANAGEMENT FRAMEWORK

Risk management within VodafoneZiggo has an organisation-wide scope, considering end-to-end processes and systems and encompassing strategic, operational, financial and compliance risk categories. We ensure these different categories are addressed through our comprehensive Risk Management Framework. The Framework helps us achieve our goals, maintain confidence in our brands and protect our stakeholders, including customers, employees and shareholders. It incorporates five pillars, developed in line with industry practices for managing risk:

- Risk governance and culture.
- Strategy and objective-setting.
- Risk management process.
- Information, communication and reporting on risk.
- Review and revision of the risk framework over time.

Our Framework serves as the foundation for effective risk management across the organisation. It establishes a transparent and uniform process to ensure our adherence to legal and regulatory requirements. This method involves the identification, assessment, management, and mitigation of potential risks to our business. Within this process, we identify significant or emerging risks, both internal and external.

"OUR APPROACH TO RISK, BOTH IN OUR ORGANISATIONAL CULTURE AND DAILY MANAGEMENT IS AN ESSENTIAL PART OF OUR STRATEGY."

RISK MANAGEMENT PROCESS: WE ASK THE RIGHT QUESTIONS

OUR GOVERNANCE AND RISK IDENTIFICATION

VodafoneZiggo undertakes risk identification activities to establish an overview of all relevant risks. We aim to identify what uncertainties can negatively affect our objectives and which risks we should take in order to achieve our objectives.

A consolidated list of risks, along with proposed risk tolerances, is then presented to both management and the governing committees. The Supervisory Board has delegated the task of overseeing the quality and integrity of the company's Risk Management Framework to its Audit, Risk & Compliance Committee. Members of this Committee oversee the implementation of control measures, as well as the company's exposure to significant and emerging risks. Through in-depth risk assessments, the Committee monitors the actions taken to manage and mitigate significant risks. Each significant risk is assigned to a risk owner who is responsible for its management and the implementation of mitigation measures, and every business unit has a designated risk champion who is tasked with overseeing the management of existing risks and identifying and reporting new risks.

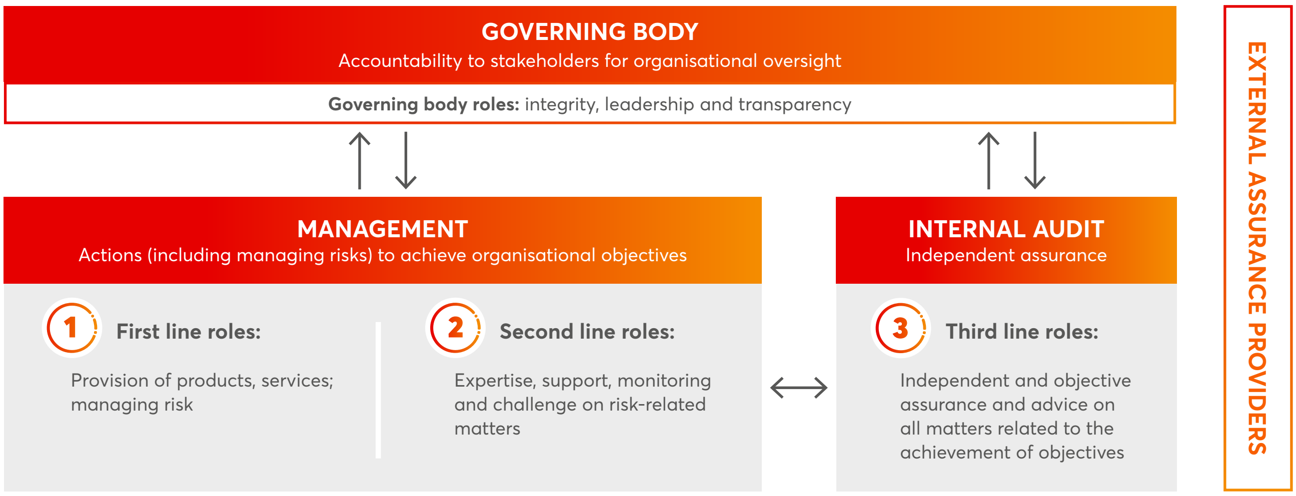
HOW WE MANAGE RISK

VodafoneZiggo assesses risk on a consistent basis, allowing management to focus on the most important risks to VodafoneZiggo's strategic objectives and identify opportunities for future growth. To establish the context and gain a comprehensive understanding of our operating environment, we classify our main risks under the four categories of our Risk Universe: strategic, operational, financial and compliance risk. Additionally, since environmental, social and governance (ESG) performance is an important part of our strategy, ESG is considered as an overarching risk theme. This approach enhances our comprehension of how to address the risk most efficiently and ensures the appropriate level of oversight and assurance.

Responsibility for confirming the presence of adequate controls and implementing necessary treatment plans to bring the risk within an acceptable tolerance level lies with the assigned risk owner. Throughout the year, we monitor the status of our risk treatment plans and conduct thorough reviews of our risks, with the results presented to the relevant oversight committees.

To facilitate management of risks and to establish the right oversight of responsibilities, VodafoneZiggo operates according to the 'Three Lines Model'.

THREE LINES MODEL



KEY: ↑ Accountability, reporting | ↓ Delegation, direction, resources, oversight | ↕ Alignment, communication, coordination, collaboration

The Three Lines Model provides VodafoneZiggo with a simple and effective structure and way of working to enhance communication on risk management by clarifying essential roles and responsibilities. Following this model, the first, second and third lines can work together, ensuring VodafoneZiggo achieves its objectives and manages risk in a responsible manner that adds value to the organisation.

PRIORITISATION OF RISKS

To prioritise risks, we use common assessment criteria with defined impact and likelihood scales. We also assess risk tolerance, establishing the amount of risk that VodafoneZiggo is willing to accept to achieve an objective and/or the target level of control to prevent a risk from materialising. Risk tolerance provides clarity over the current and desired levels of risk exposure and helps identify gaps between the two.

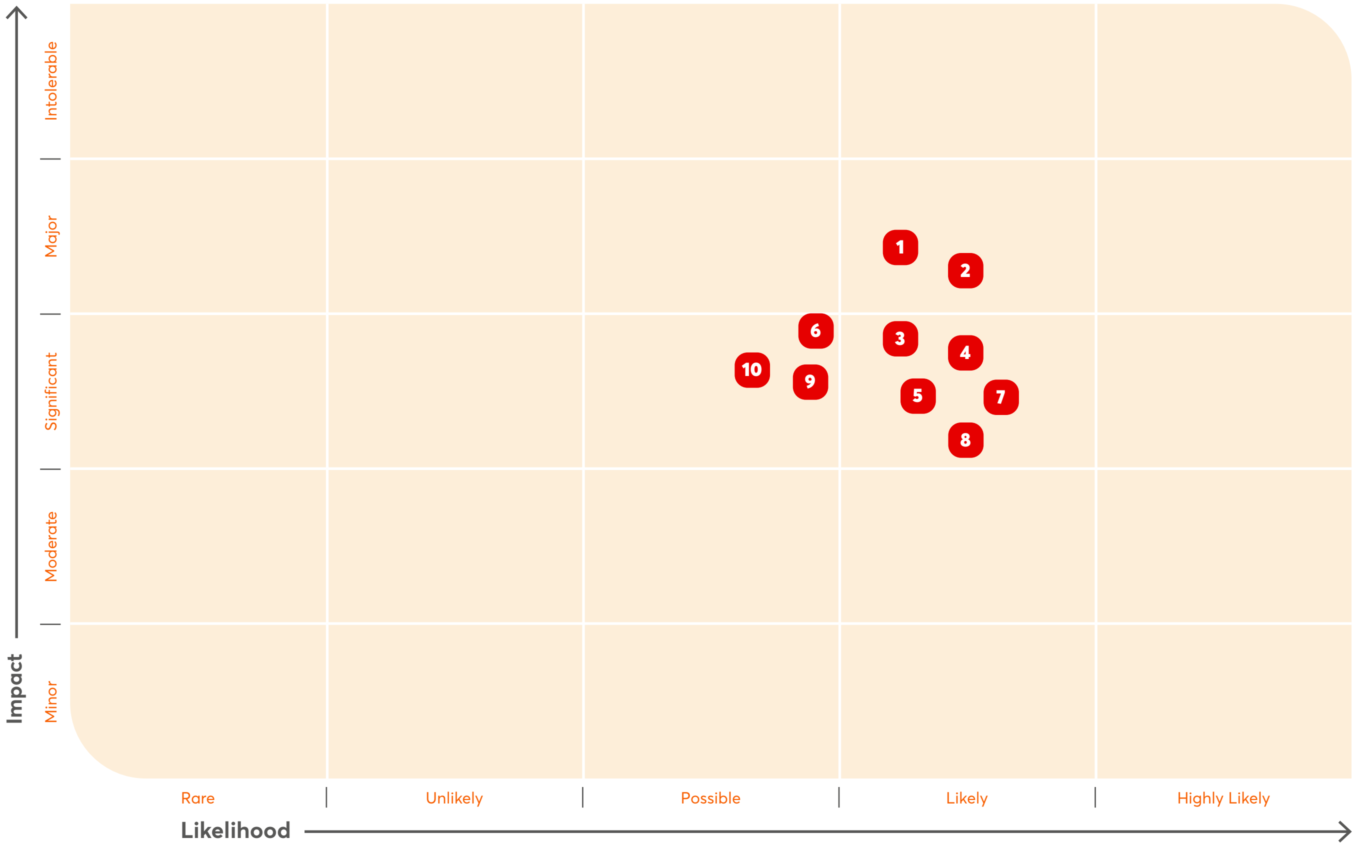
The output of these activities is the list of VodafoneZiggo's significant and watchlist risks, updated and presented to our governing committees on a bi-annual basis.

SIGNIFICANT RISKS

Significant risks, made up of sub-risks, are the themes identified as the biggest potential threats to VodafoneZiggo. This heatmap depicts the ten identified significant risks for 2023 on the likelihood and impact scale. Here we provide detailed information for each risk, outlining the corresponding mitigating measures implemented to effectively manage these risks.

"TO PRIORITISE RISKS, WE USE COMMON ASSESSMENT CRITERIA WITH DEFINED IMPACT AND LIKELIHOOD SCALES."

RISK MATRIX



RISKS

1. Cyber threats
2. Technology failure
3. Market disruption
4. Changes in regulatory environment
5. Failure to comply with laws and regulations
6. Data integrity, quality and management
7. Failure to deliver on customer expectations
8. Business & IT transformation
9. Third-party risk management
10. Macro-economic conditions

MAIN RISKS

	Risk	Category and Trend	Description	Mitigating measures	Strategic objective
1	**Cyber threats**	**Operational** No change in year-on-year risk ranking movement	The risk of a cyberattack, whether arising from within the company or externally, carries significant potential consequences such as data loss or network failures. These outcomes, in turn, can adversely impact our customers, financial standing or reputation.	To address this risk, robust control measures are implemented across all business units. We actively identify potential cyber threats and conduct simulations to ensure our capability to respond effectively to attacks. Our objectives encompass preventing cyberattacks whenever possible, ensuring immediate reporting of all incidents, and responding promptly to minimise damage.	• Secure & Seamless Connectivity
2	**Technology failure**	**Operational** No change in year-on-year risk ranking movement	The potential risk of technical malfunctions in crucial components of our networks, systems, or platforms poses a threat to the smooth operation of fixed-line or mobile services. Such disruptions could result in diminished customer satisfaction, harm to our reputation, or even regulatory fines.	We maintain an extremely low tolerance for any faults in our networks, systems or platforms that could negatively impact our customers. To minimise the consequences of service interruptions, we have established clear recovery objectives and implemented measures for critical components. Vigilant monitoring of our networks, systems and platforms enables us to promptly identify and address technical faults as they occur. In the event of incidents, we conduct thorough investigations to determine the causes and take appropriate actions to rectify the faults.	• Secure & Seamless Connectivity • Best Business Solutions
3	**Market disruption**	**Strategic** No change in year-on-year risk ranking movement	The potential risk of disruptive competition involves competitors, including other telecom operators, expanding their networks, enhancing their services or introducing new customer offerings that could render VodafoneZiggo less competitive in its designated markets.	We closely monitor market developments, foster innovation and consistently provide customers with products, services and content that set us apart from the competition. This includes offerings such as sports, films and TV series.	• Endless Entertainment • Best Business Solutions • Smart Digital Experience • Progress for Everyone • Secure & Seamless Connectivity
4	**Changes in regulatory environment**	**Compliance** Increase in year-on-year risk ranking movement	The risk of substantial regulatory changes stemming from case law or newly enacted legislation is a concern. In our industry, the landscape of national and international regulations is growing more intricate. Emerging regulations have the potential to elevate the 'regulatory pressure' within our organisation or negatively impact our competitive standing.	Our Regulatory Affairs department diligently tracks legal and regulatory advancements, engaging in regular consultations with governments and other stakeholders. This proactive approach ensures that policymakers leverage our industry knowledge and experience before formulating new laws or regulations.	• Best Business Solutions
5	**Failure to comply with laws and regulations**	**Compliance** Increase in year-on-year risk ranking movement	The risk of non-compliance with laws and regulations in the markets we operate in, including the EU's General Data Protection Regulation (GDPR), anti-bribery laws, competition law, consumer law and consumer credit regulations, as well as internal standards, policies and guidelines, is significant. Failing to adhere to these regulations may result in financial penalties and damage to our reputation.	To ensure compliance with relevant laws and regulations, we have implemented a comprehensive framework of policies, controls and risk management measures. Additionally, we have established a Code of Conduct outlining ethical standards and principles that apply to all employees. Extensive training is provided to keep employees informed about new laws or regulations and to help them understand both their personal and the company's obligations. Regular reviews and audits of our business activities are conducted to maintain ongoing compliance with laws and regulations.	• Best Business Solutions
6	**Data integrity, quality and management**	**Operational** Decrease in year-on-year risk ranking movement	The risk of our data quality and data management poses potential consequences, including hindering decision-making, negatively impacting customers, potentially obstructing the company's digital transformation and impeding the realisation of our commercial and strategic objectives.	To address this risk, we have designated a dedicated Data Officer responsible for overseeing our data quality and data management. Initiatives are in place to enhance the quality of both financial and non-financial data, supported by policies to ensure the maintenance of specified quality levels.	• Best Business Solutions • Smart Digital Experience • Progress for Everyone
7	**Failure to deliver on customer expectations**	**Strategic** Decrease in year-on-year risk ranking movement	The risk of falling short of customer expectations concerning our products, services and overall customer experience. This could arise from system or product faults or insufficient customer service, potentially resulting in decreased customer satisfaction or heightened customer churn.	We closely track customer feedback and market developments, implementing measures to rectify any shortcomings. To meet and exceed customer expectations, we regularly introduce initiatives aimed at enhancing both the customer experience and the quality of our products and services.	• Endless Entertainment • Best Business Solutions • Smart Digital Experience • Progress for Everyone • Secure & Seamless Connectivity

	Risk	Category and Trend	Description	Mitigating measures	Strategic objective
8	**Business & IT transformation**	**Operational** Increase in year-on-year risk ranking movement	The risk of IT system failures, arising from the extensive scale and complexity of our IT infrastructure. Such failures can have considerable adverse impacts on our customers, financial performance and reputation.	To tackle this risk, we maintain close monitoring of our IT systems to promptly identify errors or malfunctions. Management and designated risk owners engage in regular discussions regarding risks associated with ongoing IT programmes. Adjustments are made as needed to mitigate risk levels. As a standard practice, we prioritise risk management in our decision-making processes.	• Best Business Solutions • Secure & Seamless Connectivity • Smart Digital Experience
9	**Third-party risk management**	**Operational** Increase in year-on-year risk ranking movement	Third-party risk management involves the identification, assessment, monitoring and mitigation of potential risks associated with external entities that a business interacts with, such as vendors, suppliers or service providers.	Mitigating activities for third-party risk management involve due diligence during vendor selection, including assessing their security practices and compliance. Once engaged, continuous monitoring of third-party activities is essential to promptly identify and address any emerging risks.	• Endless Entertainment • Best Business Solutions • Smart Digital Experience • Progress for Everyone • Secure & Seamless Connectivity
10	**Macro-economic conditions**	**Financial** Increase in year-on-year risk ranking movement	Macro-economic risks refer to threats and uncertainties that impact the overall economy on a large scale. These risks include factors such as inflation, economic recessions and fluctuations in interest rates or exchange rates. Their influence extends across various industries, affecting businesses, employment levels and consumer spending, making them critical considerations for economic stability and financial planning.	Mitigating financial macro-economic risks involves reducing vulnerability to market fluctuations by using financial tools to offset potential losses from changes in interest rates, exchange rates or commodity prices.	• Progress for Everyone

WATCHLIST RISKS

Watchlist risks are those assessed for possible considerable impact. They are consistently evaluated and monitored to ensure that we are prepared. Although watchlist risks are not considered immediate threats, they necessitate preparation and readiness for the future. The watchlist risks includes but is not limited to, attracting and retaining skilful employees, energy and climate risks, business continuity and black swans, the geopolitical landscape, as well as various reporting directives, specifically the upcoming EU Corporate Sustainability Reporting Directive (CSRD).

OUR RESPONSE TO FRAUD RISKS

We closely monitor fraud risks at operational and financial reporting levels. We conduct annual fraud risk assessments, host workshops and review and assess fraud risks based on risk heatmapping. We have implemented mitigating activities to reduce fraud risks and continuously assess the appropriateness of our response to those risks. In order to foster a culture of fraud awareness throughout our organisation, we have a company-wide Code of Conduct and mandatory e-learnings for new employees. We have whistleblowing procedures in place to encourage employees to report fraud, corruption and inappropriate behaviour, as outlined in our Code of Conduct.

CONTINUOUS STRENGTHENING OF OUR RISK MANAGEMENT FRAMEWORK

The Management Board is committed to thorough examination and scrutiny of the strategy and assumptions by continuously evaluating both the internal and external environment, along with significant threats and opportunities that impact the sustainable creation of long-term shareholder value. We continuously refine and integrate our Risk Management Framework into our daily processes with the aim of advancing our risk management approach and ensuring consistency throughout the organisation.

In 2023, we:

- Advanced the maturity of a risk knowledge and skills matrix for our risk management community.
- Improved reporting to our governance committees, facilitating more informed decision-making.
- Conducted a comprehensive management-wide risk awareness workshop to strengthen our risk culture.
- Completed a cross-functional analysis of our operational resilience capabilities, identifying gaps and areas for improvement, resulting in improved oversight of our significant and watchlist risks.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

In 2023, VodafoneZiggo undertook a comprehensive qualitative evaluation of climate-related risks and opportunities, separating the overarching theme of 'climate change' identified through our double materiality assessment (see *Stakeholder interaction and materiality*) into distinct focus areas. We believe this is important not only for enhancing the maturity of our risk analysis programme and thereby ensuring we can respond effectively to the changing environment around us, but also for fulfilling our duty as a responsible company aiming to minimise our negative impact on society and the planet.

Our approach to risk identification followed the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD), which, in turn, align with the requirements of the CSRD. To carry out the assessment, representatives from VodafoneZiggo's Risk Management, Corporate Social Responsibility and ESG Reporting teams collaborated with external experts.

PROCESS

Two types of climate-related risks as well as climate-related opportunities were considered in the scope of the assessment:

- Transition risks related to the evolution towards a low-carbon economy and to the financial impact thereof on our organisation.
- Physical risks resulting from climate change, driven either by specific weather events or by longer-term shifts in climate patterns.
- Opportunities that could result from efforts to combat climate change and/or from the transition to a low-carbon economy.

The process began with the identification of relevant risks and opportunities through desk research and peer comparisons. We drew up a longlist based on sources including sector information, academic literature, internal risk documentation and peer reports on climate-risk assessments. This was converted into a shortlist of risks and opportunities more specifically relevant to VodafoneZiggo. In consultation with key internal topic owners, we assessed the shortlisted risks and opportunities based on their (financial) impact on the organisation and their likelihood to occur. We concluded the process by plotting our climate-related risks and opportunities onto an impact/likelihood matrix to establish their relative significance.

OUTCOMES

Our analysis highlights rising energy prices as one of the most significant transition risks for VodafoneZiggo, particularly affecting our energy-intensive infrastructure. Another is the switch to renewable energy sources, which could potentially result in increased costs for the near future. Rising interest and demand among investors in relation to companies' ESG performance (including our own) could also pose a risk.

Furthermore, our most significant acute physical risks include potential supply chain disruptions and power shortages, both of which could be caused by extreme weather events. Supply chain disruption might cause resource or product shortages in our supply chain, limiting VodafoneZiggo's ability to deliver products and services. Power shortages could pose a particular threat to our network infrastructure, negatively impacting the quality of our service. Another key physical risk is potential damage to our infrastructure resulting from chronic changes in climate conditions, which could lead to acceleration of maintenance work on and damage to our networks and thus have a major impact on expenditure and the quality of our service.

We also identified several important climate-related opportunities, including the adoption of energy-efficient processes. VodafoneZiggo has the chance to capitalise on the global trend towards a low-carbon economy by working to develop sustainable products and services delivered via more efficient operations with reduced energy consumption and by creating business opportunities enabling our customers to make this transition. As well as representing a short-term transition risk, the switch to renewable energy sources can be turned into an opportunity, thereby increasing our resilience against fluctuating fossil fuel prices and reducing long-term operational costs. We can also grow VodafoneZiggo's portfolio of customers and investors by improving transparency around our sustainability efforts, in line with demand from regulators and wider society.

NEXT STEPS

Through this assessment, VodafoneZiggo improved its understanding of the impact of climate change on our organisation. Many of the climate-related risks and opportunities identified in this assessment are being addressed through the Progress for Everyone pillar of our strategy. This includes climate-related KPIs to measure our CO_2 emissions and our energy consumption (see *Sustainability*). With this first analysis now complete, we will continue to integrate the outcomes into our overall Risk Management Framework to ensure we are prepared to address climate-related threats to our business continuity and capture the opportunities presented by the sustainability transition.

Ethics and compliance

Ethical working and regulatory compliance are firmly embedded across VodafoneZiggo, helping us protect all our internal and external stakeholders. Being a responsible business is, quite simply, the right thing to do; at the same time, we believe it forms the foundation for building towards our strategic ambitions. Our Privacy, Risk & Compliance team sets high standards of behaviour and ensures that our business and employees live up to these standards each and every day.

ETHICAL WORKING

The VodafoneZiggo Code of Conduct sets out our ethical and behavioural expectations of everyone within our organisation. We review and update it annually, along with other company policies and documents, to ensure we continue to reach and grow our high standards. In 2023, for example, we updated the code in line with the requirements of the EU Whistleblower Directive. To promote awareness of the topics covered by the code, we continued to communicate with employees regularly through the 'We Do; We Don't' campaign.

We also actively train our colleagues on ethical conduct: new joiners take an e-learning course and all other employees must complete an e-learning every year. We provide additional role-based training as appropriate, such as sessions on gifts and hospitality for our business sales teams. Indeed, VodafoneZiggo requires all employees to declare any gifts or hospitality. Potential conflicts of interest must also be registered, and we work to resolve any actual conflicts of interest. This ensures transparency and protects our people, organisation and other stakeholders.

SPEAK OUT

The public conversation around inappropriate behaviour in the workplace was less prominent in 2023 than the previous year, but at VodafoneZiggo we remain fully committed to raising awareness of inappropriate behaviour and fostering an open culture that empowers people to report any concerns. We provide several reporting mechanisms for colleagues and external parties, collectively referred to under the umbrella of Speak Out.

In the first instance, we aim for employees to feel comfortable raising concerns with their own manager, but for situations where this is not an option, we have trained a group of around 40 colleagues – our Trust Buddies – to provide a listening ear and direct people to further resources. These include our certified external counsellor, who is on hand to provide confidential advice, and our external complaints committee (Gimd), which helps us handle more serious incidents. For anyone wanting to make an anonymous report online or by phone, our external reporting tool, Whispli, is always available.

Reporting channel	2023	2022	2021
Security (transgressive behaviour)	19	19	20
External confidential adviser	37	49	29
Gimd	2	2	0
Whispli	16	12	7

A BROADER PERSPECTIVE

We know our impact stretches far beyond how we behave in the workplace, which is why we take care to ensure we work as part of a fair and ethical value chain. Our Human Rights Statement sets out our promises regarding how we interact with customers, employees, suppliers and wider society. It also underlines our commitment to acting ethically, sustainably and without abuses across the entire value chain.

We require all our suppliers to comply with our Code of Sustainable and Ethical Purchasing, which we updated in 2023. We also screen our suppliers using various questionnaires and other tools, helping us identify any risks and work jointly to implement mitigation measures. VodafoneZiggo has begun developing a new dashboard to help make our sourcing risks more visible, ultimately helping us respond appropriately. Using third-party software, we also carry out daily checks for any compliance breaches among our suppliers. See *Impact of purchasing* for more information on this topic.

Our efforts and motivation to ensure ethical practices along our value chain align with the purpose and requirements of the EU's forthcoming Corporate Sustainability Due Diligence Directive. Thanks to our work in this area in recent years,

"TO PROMOTE AWARENESS OF THE TOPICS COVERED BY THE CODE, WE COMMUNICATE WITH EMPLOYEES REGULARLY THROUGH THE 'WE DO; WE DON'T' CAMPAIGN."

VodafoneZiggo is already ahead of many of the standards set by this regulation. Continuing to prepare for full compliance will be a top priority in 2024.

ENGAGING WITH SHAREHOLDERS AND REGULATORS

VodafoneZiggo has a duty to keep our shareholders informed about any compliance risks and developments in our business. We do this both reactively and proactively, via quarterly communications and through other updates as and when required. We are also in frequent contact with various regulatory and supervisory authorities in the Netherlands, including the Financial Markets Authority (AFM), the Data Protection Authority (AP), the Authority for Digital Infrastructure (RDI) and the Authority for Consumers & Markets (ACM).

CONTRIBUTING TO SOCIETY

Only by following our ethical compass and conducting our business with transparency and integrity can we fulfil our ambitions of enabling progress for everyone. One example of this is the protection we put in place to prevent our customers being provided with credit they cannot afford, either by us or by other parties. In 2023, we rolled out a short refresher video on consumer credit checks and balances for our customer-facing staff, helping them manage the best interests of our customers.

More broadly, our Privacy, Risk & Compliance team is a first port of call for teams across the VodafoneZiggo organisation, whether they need advice on ethical grey areas such as social media marketing or are simply unsure of where to find more information about a particular policy. We aim to grow the team in 2024 and to continue adapting our ethics and compliance activities to an Agile way of working, in line with the rest of our business. This will enable better support for the organisation, embed ethical working in all VodafoneZiggo processes and help us respond more quickly to any potential issues.

Regulatory

VodafoneZiggo is subject to sector-specific regulation enforced by different regulatory authorities, most notably the Authority for Consumers & Markets (ACM) and the Authority for Digital Infrastructure (RDI). Our Regulatory Affairs department regularly consults these and other government stakeholders and closely monitors the latest regulatory developments to minimise the risk of adverse regulatory pressure.

EUROPEAN DEVELOPMENTS

Many of the laws and regulations relevant to VodafoneZiggo originate at EU level. The EU is currently discussing various proposals, and we expect the introduction of new or amended laws and regulations in the near future, including:

- The Artificial Intelligence Act and the Artificial Intelligence Liability Act, which regulate the development, deployment and use of artificial intelligence systems.
- The Gigabit Infrastructure Act, which will replace the Broadband Cost Reduction Directive and includes measures to reduce the cost of deploying gigabit electronic communication networks.
- The Accessibility Act, which will introduce accessibility rules for a number of key products and services, including telecom services, to ensure full and equal participation of people with disabilities.
- The e-Privacy Regulation, which will replace the current e-Privacy Directive.
- The Data Act, which lays down rules on data-sharing in business-to-government relations and business-to-business relations to improve data access and use.
- The Cybersecurity Resilience Act, which establishes common cybersecurity standards for products (especially connected objects) and services.

All of these initiatives could have an impact on our business from 2024 onwards and are therefore being closely monitored.

FIXED MARKET REGULATION

ACM performs five-yearly market analyses and can impose (access) obligations on market players as a result. There are currently no access obligations in place.

Following the Trade and Industry Appeals Tribunal ('College van Beroep voor het bedrijfsleven') annulment of ACM's market analysis decision in March 2020, a cable access obligation on VodafoneZiggo and access obligations on KPN were abolished. ACM has since investigated the need to re-regulate the fixed broadband market. A draft market analysis decision was expected in the first quarter of 2022, but was put on hold after KPN offered to improve the wholesale conditions of its fibre-to-the-home (FttH) network. In August 2022, ACM made the KPN offer binding for a period of eight years via a so-called commitments decision.

In July 2023, ACM published a draft market analysis in which it found the fixed market to be competitive, mainly driven by the availability and future roll-out of open FttH networks. After a market consultation and notification with the European Commission, a final decision was published in December 2023. At the same time, ACM published a draft and final decision regarding YouCa's request for symmetric access to our fixed network in the city of Amsterdam. ACM found there was no basis to grant such a request. Note that YouCa lodged appeals against the market analysis and symmetric access decisions. These appeals are pending.

SPECTRUM LICENCES

The Ministry of Economic Affairs and Climate Policy is responsible for spectrum management and the granting of spectrum licences. A spectrum licence confers the right to use a specific set of frequencies in a specific band for a specific period of time and under specific conditions, such as coverage obligations. Spectrum licences for mobile services are usually assigned via an auction. In addition to one-off licence fees, there are annual supervision costs, based on the amount of spectrum held.

We currently hold approximately 33% of the total mobile spectrum licences in the Netherlands, with which we provide 2G (GSM), 4G (LTE) and 5G communications. In 2020, we acquired licences in the 700, 1400 and 2100 MHz bands for a period of 20 years. We also hold 800, 900, 1800 and 2600 MHz licences that will expire in 2030. The Dutch government was planning to auction 300 MHz in the 3.5 GHz band for mobile services in the second half of 2023. This auction was delayed as a result of court rulings regarding the protection of satellite services and is now expected to take place around May to June 2024 at the earliest. On 23 February 2024, VodafoneZiggo announced its intention to participate in the 3.5 GHz auction.

SECURITY AND CONTINUITY

As a provider of public electronic communication networks and services, VodafoneZiggo is subject to specific obligations in the Dutch Telecommunications Act to safeguard the security and integrity of our networks and services. We are also obliged to ensure the continuity of electronic communication services in the event of disturbances to or outages of the electricity grid. Further to the Security of Network and Information Systems Act, the Dutch implementation of the EU's Security of Network and Information Systems (NIS) directive, we are also required to notify RDI and the National Cyber Security Centre (NCSC) of (cyber)security and integrity breaches that materially threaten the continuity of our networks and services.

On 16 January 2023, the EU's NIS2 directive (a revision of the original NIS regime, aiming to tackle its limitations and respond to changes in the cybersecurity threat landscape) and Critical Entities Resilience Directive (CER; regulating aspects of physical security) entered into force. Under these directives, which must be transposed into Dutch law by 17 October 2024, VodafoneZiggo will be designated an operator of essential services and will therefore be subject to the strictest obligations of NIS2 and CER.

Composition of our Senior Leadership Team

The information below refers to the members of the Senior Leadership Team as of 2 April 2024.

JEROEN HOENCAMP
Chief Executive Officer
Male, 1966, Dutch
Statutory Director

Jeroen Hoencamp has been the Chief Executive Officer (CEO) of VodafoneZiggo since its formation on 1 January 2017. Jeroen has worked at Vodafone since 1998 and occupied various senior executive positions, including CEO of Vodafone Ireland (2010–2012), CEO of Vodafone United Kingdom (2013–2016) and CEO of Vodafone Netherlands (2016). Earlier in his career, he held various senior marketing and sales roles at Canon Southern Copy Machines, Inc. in the United States and Thorn EMI/Skala Home Electronics in the Netherlands. Jeroen is a former officer in the Royal Netherlands Marine Corps. He holds a BBA degree from Nyenrode Business University and obtained an MBA at the University of Georgia in the United States.

Ancillary positions: Trustee of the Vodafone Group Foundation and Supervisory Board member of PostNL.

Jeroen Hoencamp announced that he will depart his role as CEO as of 1 May 2024.

RITCHY DROST
Chief Financial Officer
Male, 1974, Dutch
Statutory Director

Ritchy Drost has been the Chief Financial Officer (CFO) of VodafoneZiggo since its formation. Before that, he was the CFO and a member of the board of directors of Ziggo since 2015. Ritchy held various roles at Liberty Global since 1999, including CFO of the former European division of Liberty Global, as well as CFO of UPC Netherlands. After obtaining a master's degree in business economics, Ritchy worked as an auditor at Arthur Andersen.

Ancillary positions: Supervisory Board member and chair of the audit committee at the NEMO Science Museum, Board member and treasurer at Stichting Uitmarkt Amsterdam and Supervisory Board member and chair of the audit committee De Balie.

ROBIN KROES
Executive Director Consumer Market
Male, 1975, Dutch

Robin Kroes has been the Executive Director Consumer Market of VodafoneZiggo since September 2022. Previously, he had held the position of Executive Director of Strategy, Insights & Integration since the formation of VodafoneZiggo. Robin was the VP of Strategy & Integration at the time of the merger of UPC and Ziggo in 2014, before which he was VP of Strategy & Corporate Development and a member of the Management Team at UPC Netherlands from 2012. Prior to UPC, Robin held various positions at Chellomedia, including VP of Commercial, Operations and Corporate Development. Robin obtained an MSc in economics at the Erasmus University Rotterdam.

Ancillary positions: Chair of the Vodafone Foundation and member of the Advisory Board of Kunstmuseum Den Haag

JOHN VAN VIANEN
Executive Director Business Market
Male, 1969, Dutch

John van Vianen has been the Executive Director Business Market of VodafoneZiggo since its formation. He held various management positions before being appointed CEO of iBasis in the United States in 2009. In 2011, John became CEO of KPN Business Market and a member of the KPN Executive Committee. John has a master's degree in business economics, specialising in marketing, from Tilburg University, and a master's degree in business telecommunications from Delft University of Technology. In 2014, he completed the New Board Program at Nyenrode Business University.

Ancillary positions: Member of the Economic Board of Utrecht

BARBARA DE KONING GANS

Executive Director Customer Operations
Female, 1972, Dutch

Barbara de Koning Gans has been the Executive Director of Customer Operations of VodafoneZiggo since August 2021. Before this, Barbara worked for Rabobank where she was the Executive Vice President Customer Service. Her previous positions include Chief Commercial Officer at Independer, General Manager of Bergman Clinics and various roles at the ING Group. She has a master's degree in business administration from the Erasmus University Rotterdam and obtained an MBA in Switzerland.

Ancillary positions: Board member of Stichting Vestingeiland in Naarden

THOMAS HELBO

Executive Director Technology
Male, 1972, Danish

Thomas Helbo has been Executive Director of Technology of VodafoneZiggo since January 2024, bringing a wealth of experience from the telecom sector. His career includes notable roles such as CTO at Stofa, Group CTO at Tele2 and COO at JT Global. Most recently, Thomas served as Chief Strategy and Transformation Officer at TDC. He holds degrees in Computer Science and International Marketing, equipping him with a unique perspective on both technological and market challenges in the industry.

Ancillary positions: None

THOMAS MULDER

Executive Director Human Resources
Male, 1978, Dutch

Thomas Mulder has been Executive Director Human Resources of VodafoneZiggo since July 2018. Prior to the VodafoneZiggo joint venture, he was appointed HR Director of Vodafone Group Enterprise in December 2016. Before joining Vodafone in January 2012, he worked for Accenture, where he was HR Director for Benelux. Thomas obtained a global executive MBA at the Rotterdam School of Management.

Ancillary positions: Board member of VNO-NCW, Board member of WENB and Board member of Anders Reizen

FLEUR VAN BEEM

Executive Director Strategy, Insights & Digital Transformation
Female, 1977, Dutch

Fleur van Beem has been Executive Director Strategy, Insights & Digital Transformation of VodafoneZiggo since September 2022. This position also entails responsibility for innovation, content and Ziggo Sport. Prior to this, she held the position of Executive Director Digital Transformation at VodafoneZiggo starting from October 2021. Before that, Fleur was a partner at the strategic consultancy firm Bain & Company, where she advised Dutch and international organisations in the telecommunications and financial sectors. Fleur has a master's degree in finance from the University of Amsterdam.

Ancillary positions: None

ANNE HUSTINX

Executive Director External & Legal Affairs
Female, 1978, Dutch

Anne Hustinx has been Executive Director of External & Legal Affairs of VodafoneZiggo since 1 January 2024. Before that, Anne worked for nine years at Schiphol Group, where she fulfilled various roles including, most recently, General Counsel and Chief Procurement Officer. Before Schiphol, she worked at TNT Express and as an attorney at DLA Piper and CMS. Anne studied Dutch law at the University of Groningen.

Ancillary positions: None

Report of the Supervisory Board

2023 was a year in which natural disasters and geopolitical events caused significant distress for people around the world. VodafoneZiggo made its own very small contribution to helping those affected when, in the aftermath of February's severe earthquakes, two colleagues travelled to Turkey as part of an international Instant Network team, setting up a solution that included WiFi internet, satellite dishes and phone chargers.

VodafoneZiggo continued to execute on its strategy successfully in 2023. Commercially, the company delivered stable revenue, while putting actions in place to improve its fixed net adds performance, including an increase in internet speeds for all customers and the launch of a new front-book proposition. To advance the goal of being a leader in entertainment and digital services – an important element of the company's strategy – VodafoneZiggo launched exciting new propositions during the year, such as Pathé Thuis and SkyShowtime replacing Movies & Series on the Ziggo platform and the new Health-e proposition for mobile customers.

ABOUT THE SUPERVISORY BOARD

The Supervisory Board strongly believes that diversity in nationality, (cultural) background, expertise, experience and competencies is important for balanced decision-making and success. The composition of the Board ensures a good mix of perspectives, which helps it perform its supervisory role effectively. Women make up 25% of the Supervisory Board, and the Board will endeavour to increase this percentage. For the composition of the Supervisory Board, see *Composition of our Supervisory Board*.

The most recent evaluation by the Supervisory Board of its own performance took place in 2021, a process the Board found to be useful – especially since the findings of the evaluation contributed towards the effectiveness and efficiency of the Supervisory Board in 2022 and 2023. The Supervisory Board will conduct another self-evaluation in 2024.

MEETINGS AND MOST IMPORTANT AGENDA ITEMS IN 2023

The Supervisory Board held four regular meetings in full composition in 2023. These meetings took place on 9 March (Utrecht), 11 May (Utrecht), 21 September (Utrecht) and 17 November (London).

Each year, the Supervisory Board reviews VodafoneZiggo's strategy. This review is followed up by a cadence of regular meetings held by selected members of the Supervisory Board, Senior Leadership Team (SLT) and Senior Management Team (SMT), focusing on the different parts of VodafoneZiggo's strategy. Other regular agenda items include a business update in which the Management Board provides an overview of the financial, commercial and operational results of the various business units. The Chairs of the Audit, Risk & Compliance Committee and the Remuneration & Nomination Committee update the members of the Supervisory Board with the most important topics under discussion within these two committees. In 2023, the progress and successful closure of the IT transformation programme, BRIGHT, was also a recurring item.

At least once a year, the Supervisory Board receives an update about important developments in regulations, legal procedures and claims. The Supervisory Board also signs off the financial statements and liaises closely with the Management Board during discussions concerning financial planning and the (multi-year) budgets of the company. The Supervisory Board regularly approves so-called reserved matters – relating to transactions that exceed threshold values or important decisions (such as raising financing) that require Supervisory Board approval – by email when required.

"THE COMPOSITION OF THE BOARD ENSURES A GOOD MIX OF PERSPECTIVES, WHICH HELPS IT PERFORM ITS SUPERVISORY ROLE EFFECTIVELY."

AUDIT, RISK & COMPLIANCE COMMITTEE

The Audit, Risk & Compliance Committee is a sub-committee of the Supervisory Board. Its objective is to ensure effective governance and supervision with regard to the integrity and quality of the financial reporting of VodafoneZiggo, including the adequacy of related disclosures, the performance of both the internal audit function and the external auditor and oversight of the systems of internal control, business risks and related compliance activities. The Audit, Risk & Compliance Committee is made up of four Supervisory Board Members; two from each of VodafoneZiggo's shareholders.

Throughout 2023, the Audit, Risk & Compliance Committee held four sessions, with attendees including the CEO, CFO, Executive Director Technology, Executive Director External & Legal Affairs, Director Internal Audit & Financial Risk Management, partly the external auditors and subject matter experts. The committee engaged in diverse discussions that encompassed various updates and placed significant emphasis on enhancing cybersecurity measures. Additionally, there were four calls dedicated specifically to endorsing the quarterly press releases.

REMUNERATION & NOMINATION COMMITTEE

The second sub-committee of the Supervisory Board is the Remuneration & Nomination Committee, which met twice in 2023. The Executive Director HR attended part of those meetings. In 2023, the committee focused on the SLT talent review, succession planning and a deep-dive into the remuneration strategy, mainly focused on graduates and critical and scarce resources. Topics related to diversity, equity and inclusion were also discussed, such as the percentage of women in top management, which VodafoneZiggo increased from 34% in 2022 to 39% in 2023. Another subject was how to keep the company-wide engagement scores high, or even increase them, as the company has done year-on-year since the formation of the joint venture. Finally, the committee discussed the determination of bonus targets and verified the pay-out percentages for the variable remuneration of members of the SLT and SMT, before submitting these to the Supervisory Board for approval.

FINANCIAL STATEMENTS FOR THE 2023 FINANCIAL YEAR

The 2023 financial year ended on 31 December 2023. The financial statements for 2023 have been prepared by the Management Board, audited by KPMG Accountants N.V. and provided with an unqualified independent auditor's report, see *Independent auditor's report*. The financial statements were signed by the members of the Management Board and Supervisory Board in accordance with Article 2:210, paragraph 2 of the Dutch Civil Code. The financial statements will be submitted to the General Meeting for adoption. The Supervisory Board proposes that the General Meeting grants discharge to the members of the Management Board in respect of their management and to the members of the Supervisory Board with regard to their supervision exercised during the financial year 2023.

FINAL REMARKS OF THE CHAIR

2023 was another challenging year for the Dutch economy, marked by low economic growth. Despite this, VodafoneZiggo delivered on all its guidance metrics and made significant progress on the execution of its strategy. The Supervisory Board highly appreciates the continued dedication and engagement of the VodafoneZiggo leadership and employees. In October, CEO Jeroen Hoencamp announced his intention to retire from VodafoneZiggo as of 1 May 2024. Jeroen successfully led the integration of Vodafone Netherlands and Ziggo and built a purpose-driven business culture marked by high employee engagement. The Supervisory Board thoroughly enjoyed working with Jeroen and I would like to thank him for his great leadership.

Serpil Timuray – Chair
Manuel Kohnstamm – Vice Chair
Charlie Bracken
Baptiest Coopmans
Sateesh Kamath
Carla Mahieu
John Otty
Huub Willems

Composition of our Supervisory Board

The Supervisory Board consists of the following eight members (composition as of 2 April 2024):

SERPIL TIMURAY (FEMALE, 1969, BRITISH AND TURKISH)
(Chair as of 01-01-2024)
CEO Europe Cluster & member of the Group Executive Committee Vodafone Group

MANUEL KOHNSTAMM (MALE, 1962, DUTCH)
(Chair until 31-12-2023, Vice Chair as of 01-01-2024)
Senior Vice President & Chief Corporate Affairs Officer Liberty Global

CHARLIE BRACKEN (MALE, 1966, BRITISH)
Executive Vice President & Chief Financial Officer Liberty Global

BAPTIEST COOPMANS (MALE, 1965, DUTCH)
Member of Executive Leadership Team Liberty Global

SATEESH KAMATH (MALE, 1973, INDIAN)
Global Finance Director (Markets) Vodafone Group

CARLA MAHIEU (FEMALE, 1959, DUTCH)
Supervisory Board member dsm-firmenich and Supervisory Board member Arcadis

JOHN OTTY (MALE, 1964, BRITISH)
Non-Executive Director Vodacom Group Ltd

HUUB WILLEMS (MALE, 1944, DUTCH)
Professor of Corporate Litigation at the University of Groningen and former chair of the Enterprise Chamber of the Amsterdam Court of Appeal

Carmen Velthuis resigned as member of the Supervisory Board on 1 May 2023.

The Supervisory Board has two sub-committees (composition as of 2 April 2024):
- **The Audit, Risk & Compliance Committee**: Charlie Bracken (Chair), Baptiest Coopmans, Sateesh Kamath and John Otty
- **The Remuneration & Nomination Committee**: Manuel Kohnstamm (Chair), Charlie Bracken, Sateesh Kamath and Serpil Timuray

Overview of (re)appointment terms of the Supervisory Board members.

Supervisory Board Member	Entry into office	End of first term	End of second term	End of third term
Serpil Timuray	31-12-2018	31-12-2022	31-12-2026	
Manuel Kohnstamm	22-03-2019	22-03-2023	22-03-2027	
Charlie Bracken	31-12-2016	31-12-2020	31-12-2022	31-12-2026
Baptiest Coopmans	31-12-2016	31-12-2020	31-12-2022	31-12-2026
Sateesh Kamath	11-11-2022	11-11-2026		
Carla Mahieu	22-05-2017	22-05-2021	22-05-2023	22-05-2027
John Otty*	01-05-2023	01-05-2027		
Huub Willems	31-12-2016	31-12-2020	31-12-2022	31-12-2026

*Additionally served as Supervisory Board member between 29 June 2018 and 31 December 2021.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Financial statements

Consolidated statement of profit or loss and other comprehensive income

In € millions	Notes	Year ended 31 December 2023	2022
Revenue	3, 21	4,114.7	4,065.6
Total operating income		**4,114.7**	**4,065.6**
Cost of outsourced work and other external costs	4, 21	1,727.9	1,617.5
Personnel expenses	5, 21	485.5	463.2
Amortisation and depreciation	8, 9, 10	1,621.7	1,593.6
Impairment, restructuring and other operating expenses, net	8, 9	41.4	12.5
Total operating expenses		**3,876.5**	**3,686.8**
Operating profit		**238.2**	**378.8**
Finance income	6	189.5	1,189.9
Finance costs	6, 15, 21	(1,002.8)	(1,003.1)
Other income, net		—	4.6
Earnings (loss) before tax		**(575.1)**	**570.2**
Income tax benefit (expense)	7	98.5	(200.9)
Net earnings (loss) attributable to equity owners of the company		**(476.6)**	**369.3**
Other comprehensive income		—	—
Total comprehensive income (loss) attributable to equity owners of the company		**(476.6)**	**369.3**

Consolidated statement of financial position

In € millions	Notes	31 December 2023	31 December 2022
Assets:			
Intangible assets and goodwill	8	11,632.0	12,231.6
Property and equipment	9	4,324.4	4,370.3
Right-of-use assets	10	343.5	355.2
Derivative financial instruments	19	508.2	968.9
Contract assets and contract costs	11	93.8	83.6
Other assets		40.9	35.1
Total non-current assets		**16,942.8**	**18,044.7**
Contract assets and contract costs	11	227.9	209.3
Trade and other receivables	12, 21	188.8	210.4
Derivative financial instruments	19	218.0	170.1
Other assets		71.6	61.4
Cash and cash equivalents	13	125.2	99.9
Total current assets		**831.5**	**751.1**
Total assets		**17,774.3**	**18,795.8**

In € millions	Notes	31 December 2023	31 December 2022
Equity:			
Share capital		0.0	0.0
Share premium		3,339.0	3,539.0
Retained earnings		(1,429.0)	(952.4)
Equity attributable to the owners of the Company	14	**1,910.0**	**2,586.6**
Liabilities:			
Debt	15, 21	11,933.8	12,024.6
Deferred tax liabilities	7	1,022.4	1,206.6
Derivative financial instruments	19	69.3	67.0
Lease liabilities	10	276.9	294.8
Provisions		19.4	21.7
Other liabilities		52.7	53.1
Total non-current liabilities		**13,374.5**	**13,667.8**
Debt	15	1,006.6	1,100.4
Trade and other payables	16, 21	751.2	729.7
Accruals and deferred income	17, 21	531.6	478.5
Derivative financial instruments	19	48.6	41.4
Lease liabilities	10	80.9	78.0
Accrued income taxes	7	34.1	108.8
Provisions	20	36.8	4.6
Total current liabilities		**2,489.8**	**2,541.4**
Total liabilities		**15,864.3**	**16,209.2**
Total equity and liabilities		**17,774.3**	**18,795.8**

Consolidated statement of changes in equity

In € millions	Notes	Equity attributable to equity holders of the Company			
		Share capital	Share premium	Retained earnings	Total
Balance at 1 January 2022		**0.0**	**4,039.3**	**(1,321.7)**	**2,717.6**
Earnings for the period		—	—	369.3	369.3
Total comprehensive income for the period		**—**	**—**	**369.3**	**369.3**
Contributions and distributions:					
Equity distributions to shareholders	21	—	(500.0)	—	(500.0)
Other		—	(0.3)	—	(0.3)
Balance at 31 December 2022		**0.0**	**3,539.0**	**(952.4)**	**2,586.6**
Loss for the period		—	—	(476.6)	(476.6)
Total comprehensive loss for the period		**—**	**—**	**(476.6)**	**(476.6)**
Contributions and distributions:					
Equity distributions to shareholders	21	—	(200.0)	—	(200.0)
Balance at 31 December 2023		0.0	3,339.0	(1,429.0)	1,910.0

Consolidated statement of cash flows

In € millions	Notes	Year ended 31 December 2023	2022
Cash flows from operating activities:			
Net earnings (loss)		(476.6)	369.3
Adjustments to reconcile net earnings (loss) to net cash generated from operating activities:			
Depreciation and amortisation	8, 9, 10	1,621.7	1,593.6
Impairment, restructuring and other operating items, net		41.4	12.5
Net finance costs (income)	6, 15, 21	813.3	(186.8)
Income tax expense (income)	7	(98.5)	200.9
Changes in operating assets and liabilities		121.0	106.3
Cash generated from operating activities		**2,022.3**	**2,095.8**
Cash paid for interest		(698.9)	(576.1)
Cash received from interest-related derivative instruments		161.8	42.2
Cash paid for income taxes	7	(160.6)	(101.6)
Net cash provided by operating activities		**1,324.6**	**1,460.3**
Cash flows from investing activities:			
Capital expenditures	8, 9	(590.6)	(491.1)
Other investing activities, net		3.0	1.8
Net cash used by investing activities		**(587.6)**	**(489.3)**
Cash flows from financing activities:			
Borrowings of third-party debt	15	655.8	186.4
Operating-related vendor financing additions	15	776.1	733.6
Repayments of third-party debt and lease obligations:			
Debt (excluding vendor financing)	15	(662.2)	(145.0)
Principal payments on operating-related vendor financing	15	(738.8)	(715.8)
Principal payments on capital-related vendor financing	15	(456.9)	(532.4)
Payments on lease obligations	10	(84.4)	(82.0)
Equity distributions to shareholders	21	(200.0)	(500.0)
Payment of financing costs and debt premiums	15	(0.1)	(65.3)
Other financing activities, net		(1.2)	0.8
Net cash used by financing activities		**(711.7)**	**(1,119.7)**
Effect of exchange rate changes on cash and cash equivalents		—	1.3
Net increase (decrease) in cash and cash equivalents		**25.3**	**(147.4)**
Cash and cash equivalents:			
Beginning of year		99.9	247.3
End of year		125.2	99.9

Notes to the consolidated financial statements

1. General information

VodafoneZiggo Group Holding B.V. (the Company), having its registered address at Boven Vredenburgpassage 128, 3511WR Utrecht, is a private limited liability company under Dutch law and is registered as a financial holding company under number 65291166 in the Trade Register. The Company has its legal seat in Amsterdam. The Company and its subsidiaries are called the Group, VodafoneZiggo or we hereafter. The Group provides fixed, mobile and integrated communication and entertainment services to consumers and businesses in the Netherlands

The Company is indirectly 50% owned by each of Liberty Global Ltd. (Liberty Global) and Vodafone Group Plc (Vodafone Group). A subsidiary of Liberty Global contributed Ziggo Group Holding B.V. (Former Ziggo), subsequently renamed VodafoneZiggo Group B.V. and its subsidiaries into the VodafoneZiggo Joint Venture (the JV) after which VodafoneZiggo Group B.V. became a wholly owned subsidiary of the Company. Vodafone Group's Vodafone Libertel B.V. (Vodafone NL), and its subsidiaries, were contributed into the JV and Vodafone NL became an indirect wholly owned subsidiary of the Company upon the closing of the JV Transaction on 31 December 2016.

The consolidated financial statements of the Group are part of the statutory financial statements of VodafoneZiggo Group Holding B.V. The financial statements were authorised for issue by the Supervisory Board and the Management Board on 2 April 2024 and are subject to approval by the General Meeting.

2. Basis of preparation and general accounting policies

Basis of preparation

The consolidated financial statements and accompanying explanatory notes have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union (EU-IFRS), and with Section 2:362(9) of the Dutch Civil Code.

The accounting policies applied for measurement of assets and liabilities and determination of results are based on the historical cost convention, except for derivative financial instruments, which are measured at fair value. The financial statements have been prepared on the basis of the going concern assumption. The financial statements are presented in euros (€), which is the Group's functional currency. Unless otherwise indicated, all amounts have been rounded to millions, with one decimal place of precision. Certain prior year amounts have been reclassified to conform to the current year presentation.

Estimates and judgements

The preparation of financial statements in conformity with EU-IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of allowances for impairment of receivables, certain components of revenue, programming and copyright expenses, deferred income taxes, loss contingencies, fair value measurements, impairment assessments, capitalisation of internal costs associated with construction and installation activities and development of internal-use software and useful lives of non-current assets. Actual results could differ from those estimates.

We believe the following accounting policies are critical in the preparation of our consolidated financial statements because of the judgment necessary to account for these matters and the significant estimates involved, which are susceptible to change:

- Impairment of goodwill.
- Costs associated with capitalisation of property & equipment and development of internal-use software.
- Fair value measurements.
- Income tax accounting.

Impairment of goodwill

We annually perform an impairment test on goodwill, irrespective of whether there are indicators of impairment. To determine if any impairment exists in relation to goodwill, the carrying amount of the cash-generating unit is compared with the recoverable amount. The recoverable amount concerns the higher of value in use and fair value less costs of disposal.

When the carrying amount of the cash-generating unit exceeds its recoverable amount, an impairment loss is recognised for the difference between the carrying amount and the recoverable amount. The resulting impairment loss is allocated to goodwill.

For additional information concerning our annual impairment testing, see *note 8* to our consolidated financial statements.

Costs associated with capitalisation of property & equipment and development of internal-use software

We capitalise costs associated with the construction of new, or upgrades to existing, fixed and mobile transmission and distribution facilities, the installation of new fixed-line services and the development of internal-use software. Installation activities that are capitalised include (i) the initial connection (or drop) from our fixed-line system to a customer location, (ii) the replacement of a drop and (iii) the installation of equipment for new, or upgrades to existing, fixed-line services. The costs of other customer-facing activities, such as reconnecting customer locations where a drop already exists, disconnecting customer locations and repairing or maintaining drops, are expensed as incurred. We capitalise internal and external costs directly associated with the development of internal-use software.

We make judgments regarding the construction, upgrade and installation activities to be capitalised and the development of internal-use software. In addition to direct external and internal labour and materials, we also capitalise other costs directly attributable to our construction and installation activities, including dispatch costs, quality-control costs, vehicle-related costs and certain warehouse-related costs. The capitalisation of these costs is based on time sheets, standard costs, call tracking systems and other verifiable means that directly link the costs incurred with the applicable capitalisable activity. We continuously monitor the appropriateness of our capitalisation policies and update the policies when necessary to respond to changes in facts and circumstances, such as the development of new products and services and changes in the manner that installations, construction or upgrade activities or the development of internal-use software are performed.

Fair value measurements

IFRS provides guidance with respect to the recurring and nonrecurring fair value measurements and for a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. We record transfers of assets or liabilities into or out of Levels 1, 2 or 3 at the beginning of the quarter during which the transfer occurred. During 2023, no such transfers were made.

Recurring valuations. We perform recurring fair value measurements with respect to our derivative instruments. We use cash flow valuation models to determine the fair values of our interest rate and foreign currency derivative instruments. Changes in the fair values of our derivative instruments have had, and we believe will continue to have, a significant and volatile impact on our results. For additional information concerning fair value measurements of our derivative instruments, see *note 18* to our consolidated financial statements.

Nonrecurring valuations. Our nonrecurring valuations are primarily associated with (i) the application of acquisition accounting, (ii) impairment assessments, and (iii) fair value assessments, each of which require that we make fair value determinations as of the applicable valuation date. In making these determinations, we are required to make estimates and assumptions that affect the recorded amounts, including, but not limited to, expected future cash flows, market comparables and discount rates, remaining useful lives of intangible assets and property and equipment, replacement or reproduction costs of property and equipment and the amounts to be recovered in future periods from acquired net operating losses and other deferred tax assets. To assist us in making these fair value determinations, we may engage third-party valuation specialists.

Our estimates in this area impact, among other items, the amount of depreciation and amortisation, impairment charges and income tax expense or benefit that we report. Our estimates of fair value are based upon assumptions we believe to be reasonable, but which are inherently uncertain. A significant portion of our intangible assets and property and equipment were initially recorded through the application of acquisition accounting and all of our intangible assets and property and equipment are subject to impairment assessments.

Income tax accounting

Tax laws in the Netherlands are subject to varied interpretation, and many tax positions we take may be subject to uncertainty regarding whether the position will be ultimately sustained after review by the relevant tax authority. We recognise the financial statement effects of a tax position when it is considered probable that the position will be sustained upon examination. The determination of whether the tax position meets the probable threshold requires a facts-based judgment using all information available.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that we are able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

We are required to estimate the amount of tax payable or refundable for the current year and the deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts and income tax basis of assets and liabilities and the expected benefits of utilising tax credit carryforwards, using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. This process requires our management to make assessments regarding the timing and probability of the ultimate tax impact of such items.

Deferred tax assets and liabilities are separately recognised and netted off when permitted. Net deferred tax assets are recognised to the extent that the realisation of them is considered probable. Recognising deferred tax assets requires us to make assessments about the timing of future events, including the probability of expected future taxable income and available tax planning strategies. On 31 December 2023, we had unrecognised deferred tax assets of €146.7 million (2022: €97.8 million). The actual amount of income tax benefits realised in future periods will likely differ from the net deferred tax assets reflected in our 31 December 2023 consolidated balance sheet due to, among other factors, possible future changes in income tax law or interpretations thereof and differences between estimated and actual future taxable income. Any such factors could have a material effect on our current and deferred tax positions as reported in our consolidated financial statements. A high degree of judgment is required to assess the impact of possible future outcomes on our current and deferred tax positions.

For additional information concerning our income taxes, see *note* 7 to our consolidated financial statements.

Accounting policies

Where necessary, accounting policies relating to financial statement captions are included in the relevant notes to the consolidated financial statements. These are presented as text highlighted in grey at the bottom of each note. The accounting policies below are applied throughout the financial statements.

Basis of consolidation

Business combinations. We account for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. For the list of subsidiaries please see *note 23* to the company financial statements.

Loss of control. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Foreign currencies

Transactions in foreign currencies are translated to the functional currency of the Group at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

Provisions

Provisions are recognised when (i) we have a present obligation (legal or constructive) as a result of a past event, (ii) it is more likely than not that we will be required to settle that obligation and (iii) a reliable estimate can be made of the amount of the obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material. The discount rate used to determine the present value reflects current market assessments of the time value of money and risks specific to the liability.

Cash flow statement

The cash flow statement is prepared using the indirect method. Cash flows in foreign currency are translated into euros using the weighted average exchange rates at the dates of the transactions. Transactions that do not include an exchange of cash and cash equivalents are not included in the cash flow statement.

Leases. In the cash flow statement, we have classified the repayment of the lease obligation as cash flows from financing activities, whereas we have allocated the interest portion to cash flows from operating activities.

Derivative instruments. Cash flows from derivative instruments are classified in accordance with the nature of the instrument. For contracts that are terminated prior to maturity, the cash paid or received upon termination that relates to future periods is classified as a financing activity.

Vendor financing. Our operating-related expenses financed by an intermediary, are treated as constructive operating cash outflows and constructive financing cash inflows when the intermediary settles the liability with the vendor on our behalf as there is no actual cash outflow until we pay the financing intermediary. When we pay the financing intermediary, we record financing cash outflows in our consolidated statement of cash flows. The capital expenditure that we report in our consolidated statement of cash flows do not include amounts that are financed under capital-related vendor financing. Instead, these amounts are reflected as non-cash additions to our property and equipment when the underlying assets are delivered, and as repayments of debt when the principal is repaid.

New accounting policies effective for 2023

We apply new standards and amendments issued by the International Accounting Standards Board (IASB) when effective and endorsed by the European Union. We have not early adopted any standards. The accounting policies applied are consistent with those of the previous financial year, except for the adoption of endorsed amendments to the following standards:

- IAS 1 regarding disclosure of accounting policies;
- IAS 8 regarding the definition of accounting estimates; and
- IAS 12 regarding the accounting treatment of transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

We have concluded that the aforementioned amendments do not have a significant impact on our financial statements.

New accounting policies not yet effective for 2024

The following amended standards effective 1 January 2024 (or later) are not expected to have a significant impact on our financial statements:

- IAS 1 regarding classification of debt and other liabilities as current or non-current; and
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: disclosure requirements regarding supplier finance arrangements.

3. Revenue

We provide fixed, mobile and integrated communication and entertainment services to consumers and businesses in the Netherlands.

Our revenue by major category is outlined below:

In € millions	2023	2022
Consumer fixed revenue (a):		
Subscription revenue	1,997.7	2,023.3
Non-subscription revenue	12.0	13.0
Total consumer fixed revenue	**2,009.7**	**2,036.3**
Consumer mobile revenue (b):		
Subscription revenue	707.4	673.7
Non-subscription revenue	263.6	236.7
Total consumer mobile revenue	**971.0**	**910.4**
B2B fixed revenue (c):		
Subscription revenue	549.5	528.8
Non-subscription revenue	12.0	11.7
Total B2B fixed revenue	**561.5**	**540.5**
B2B mobile revenue (d):		
Subscription revenue	397.3	392.0
Non-subscription revenue	146.7	151.7
Total B2B mobile revenue	**544.0**	**543.7**
Other revenue (e)	28.5	34.7
Total	**4,114.7**	**4,065.6**

(a) Consumer fixed revenue is classified as either subscription revenue or non-subscription revenue. Consumer fixed subscription revenue includes revenue from subscribers for ongoing broadband internet, video, and fixed-line telephony services offered to residential customers and the amortisation of installation fee. Consumer fixed non-subscription revenue includes, among other items, interconnect, channel carriage fees, late fees and revenue from the sale of equipment. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the stand-alone price for each individual service. As a result, changes in the stand-alone pricing of our fixed and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(b) Consumer mobile revenue is classified as either subscription revenue or non-subscription revenue. Consumer mobile subscription revenue includes revenue from ongoing mobile and data services offered under postpaid and prepaid arrangements to residential customers. Consumer mobile non-subscription revenue includes, among other items, interconnect revenue, mobile handset and accessories sales, and late fees.

(c) B2B fixed revenue is classified as either subscription revenue or non-subscription revenue. B2B fixed subscription revenue includes revenue from business broadband internet, video, fixed-line telephony and data services, offered to Small or Home Office (SoHo) customers and small and medium to large enterprises. B2B fixed non-subscription revenue includes, among other items, revenue from hosting services, installation fees, carriage fees and interconnect.

(d) B2B mobile revenue is classified as either subscription revenue or non-subscription revenue. B2B mobile subscription revenue includes revenue from ongoing mobile and data services offered to SoHo, small and medium to large enterprise customers as well as wholesale customers. B2B mobile non-subscription revenue includes, among other items, interconnect (including visitor) revenue, mobile handset and accessories sales, site sharing revenue and late fees.

(e) Other revenue includes, among other items, programming and advertising.

Accounting policy - Revenue recognition and related costs

Gross versus net presentation. When we sell goods or services as a principal, income and payments to suppliers are reported on a gross basis in revenue and operating costs. If we sell goods or services as an agent, revenue and payments to suppliers are recorded in revenue on a net basis, representing the margin earned.

Service revenue — Fixed Network. We recognise revenue from the provision of video, broadband internet and fixed-line telephony services over our fixed network to customers over time in the periods the related services are provided, with the exception of revenue recognised pursuant to certain contracts that contain promotional discounts, as described below. Installation fees related to services provided over our fixed network are generally deferred and recognised as revenue over the contractual period.

Sale of multiple products and services. We sell video, broadband internet, fixed-line telephony and mobile services and handsets to our customers in bundled packages at a rate lower than if the customer purchased each product on a stand-alone basis. Revenue from bundled packages generally is allocated proportionally to the individual products or services based on the relative stand-alone selling price for each respective product or service.

Mobile revenue — General. Consideration from mobile contracts is allocated to the airtime service component and the handset component based on the relative stand-alone selling prices of each component. Offers for handsets and airtime services in separate contracts entered into at the same time are accounted for as a single contract.

Mobile revenue — Airtime Services. We recognise revenue from mobile services over time in the periods the related services are provided. Revenue from pre-pay customers is deferred prior to the commencement of services and recognised as the services are rendered or usage rights expire.

Mobile revenue — Handset revenue. Arrangement consideration allocated to handsets is recognised as revenue at the point in time in which the goods have been transferred to the customer. Mobile handset contracts that permit the customer to take control of the handset upfront and pay for the handset in instalments over a contractual period may contain a significant financing component. For contracts with terms of one year or more, we recognise the significant financing component as revenue over the contractual period using the effective interest method.

B2B fixed revenue. We defer upfront installation and certain nonrecurring fees received on B2B contracts where we maintain ownership of the installed equipment. The deferred fees are amortised into revenue on a straight-line basis over the term of the arrangement or the expected period of performance.

Contract costs. Incremental costs to obtain a contract with a customer, such as incremental sales commissions, are generally recognised as assets and amortised over the applicable period benefited, which generally is the contract life, to (i) cost of outsourced work and other external costs or (ii) in the case of commissions earned on devices sold through indirect channels, against service revenue. If, however, the amortisation period is less than one year, we expense such costs in the period incurred.

Contract fulfilment costs are recognised as assets and amortised to cost of outsourced work and other external costs over the applicable period benefited, which is generally the substantive contract term for the related service contract. Installation activities are not considered to be contract fulfilment costs.

Promotional discounts. For subscriber promotions, such as discounted or free services during an introductory period, revenue is recognised uniformly over the contractual period if the contract has substantive termination penalties. For subscriber promotions offered for longer than an introductory period, we allocate discounts over the related performance obligations and the related period of delivery.

Subscriber Advance Payments and Deposits. Payments received in advance for the services we provide are deferred and recognised as revenue when the associated services are provided.

Contract balances
If we transfer goods or services to a customer but do not have an unconditional right to payment, we record a contract asset. Contract assets typically arise from the delivery of a handset that is paid for over the duration of the contract period or the uniform recognition of introductory promotional discounts over the contract period.

We record deferred revenue when we receive payment prior to transferring goods or services to a customer. We primarily defer revenue for (i) services that are invoiced prior to when services are provided and (ii) installation and other upfront services.

The carrying value of the contract assets recorded at amortised cost is reduced by allowances for lifetime estimated credit losses. Estimated future credit losses are first recorded on the initial recognition of a receivable and are based on the ageing of the receivable balances, historical experience and forward-looking considerations. Individual balances are written off when management deems them not to be collectible.

For information regarding our contract balances, see *note 11*.

Unsatisfied performance obligations
A large portion of our revenue is derived from customers whose initial contracts have been extended. A large portion of these customers have a one-month notice period. Revenue from customers who are subject to initial contracts will be recognised over the term of such contracts, which is generally 12-24 months for our consumer contracts and one to five years for our B2B service contracts.

4. Cost of outsourced work and other external costs

The amounts include the following fees charged by KPMG Accountants N.V. to the Company, its subsidiaries and other consolidated companies, as referred to in Section 2:382a (1) and (2) of the Dutch Civil Code.

Auditor fees

In € millions	2023	2022
KPMG Accountants N.V.:		
Audit of the financial statements	2.5	2.4
Other audit engagements and audit related services	0.7	0.7
Total	**3.2**	**3.1**

The fees in the table above include all activities relating to 2023 (2022) irrespective of whether the activities have been performed during the financial year.

5. Personnel expenses

In € millions	2023	2022
Wages and salaries (a)	373.6	358.5
Social security charges	64.3	55.9
Pension charges (b)	47.6	48.8
Total	**485.5**	**463.2**

(a) We capitalise internal labour costs directly associated with the development of internal-use software and construction of property and equipment. In 2023 and 2022, the amount of capitalised internal labour costs was €98.3 million and €86.5 million, respectively. In 2023 and 2022, we recognised €19.8 million and €24.6 million, respectively, in wages and salaries associated with external specialists.
(b) We provide retirement benefits to our subsidiaries' employees via multiemployer benefit plans and a defined contribution plan. The aggregate expense of our matching contributions under the various multiemployer benefit plans was €25.2 million and €28.8 million during 2023 and 2022, respectively. The aggregate expense of our matching contributions under the defined contribution plan was €22.4 million and €20.0 million during 2023 and 2022, respectively.

Staffing level

The average number of staff employed by the Group in 2023, converted into full-time equivalents (FTEs), amounted to 6,272 FTEs, whom all work in the Netherlands. The average number of FTEs per business unit is:

FTE	2023	2022
Customer Operations	2,138	2,214
Technology	1,517	1,430
B2C	1,177	1,220
B2B	730	693
HR, Strategy, Insights and Digital Transformation, Finance and External and Legal Affairs	710	686
Total average FTEs	**6,272**	**6,243**

Accounting policy - Employee benefits

Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans
Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Multi-employer plans
We are part of a multi-employer plan which is administered by ABP. This pension scheme is a conditionally indexed average-salary scheme and is a defined benefit plan. We are not liable for deficits in the multi-employer plans but could be impacted by these deficits through an increase in the pension contribution rate. Our share to the total ABP pension plan is limited. The ABP plan is accounted for as if it were a defined contribution plan as insufficient information is available to use defined benefit accounting. The expected contribution to the plan for 2024 will be similar to 2023. The funding ratio (market value of the assets expressed as a percentage of the pension provision measured according to De Nederlandsche Bank's principles) on 31 December 2023 was 110.5% (2022: 110.9%).

Other long-term employee benefits
Our obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. Long term benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Remeasurements are recognised in the period in which they arise.

6. Finance income and costs

In € millions	2023	2022
Foreign-currency transaction gains	189.5	—
Derivative realised and unrealised gains, net	—	1,189.6
Other finance income	—	0.3
Total finance income	**189.5**	**1,189.9**
Interest expense - third-party		
Debt	(621.1)	(470.3)
Lease liabilities	(14.4)	(12.3)
Other	(4.0)	(2.5)
Interest expense on debt - related parties	(102.2)	(102.2)
Derivative realised and unrealised losses, net	(260.4)	—
Foreign-currency transaction losses	—	(344.7)
Losses on debt extinguishment, net	—	(71.1)
Other finance expense	(0.7)	—
Total finance costs	**(1,002.8)**	**(1,003.1)**
Net finance income (costs)	**(813.3)**	**186.8**

Interest capitalised for the year ended 31 December 2023 was €2.2 million (2022: €4.0 million).

Accounting policy - Finance income and costs

Our finance income and finance costs includes interest income, interest expense, realised and unrealised gains or losses on derivative instruments, gains or losses on debt modification and extinguishment and foreign currency transaction gains or losses.

Interest income and interest expenses are recognised in the profit or loss account on an accrual basis, using the effective interest rate method.

Premiums, discounts and redemption premiums are recognised as finance costs in the period to which they belong. The amounts of premiums, discounts and deferred financing costs are recorded on the balance sheet as an increase and decrease of debt, respectively, and are amortised over the life of the debt subsequently. Redemption premiums are directly recognised in the profit and loss account and arise for any differences between the redemption amount and the net carrying value of the debt at the moment of redemption.

7. Income taxes

Our consolidated financial statements include the income taxes of all entities wholly owned by VodafoneZiggo. All pre-tax income and income tax expense relate to the Netherlands. The VodafoneZiggo Fiscal Unity, established at the level of VodafoneZiggo, is one taxpayer for Dutch tax purposes. All material subsidiaries of VodafoneZiggo are part of the VodafoneZiggo Fiscal Unity.

Components of income tax benefit (expense) consist of:

In € millions	2023	2022
Tax expense:		
Current income tax expense	85.7	148.7
Current tax expense	**85.7**	**148.7**
Origination and reversal of temporary differences	184.2	(52.2)
Deferred tax benefit (expense)	**184.2**	**(52.2)**
Income tax benefit (expense)	**98.5**	**(200.9)**

The numerical reconciliation between the applicable and the effective tax rate is as follows:

In € millions	2023	2022
Earnings (loss) before tax	**(575.1)**	**570.2**
Income tax benefit (expense) using the applicable tax rate in the Netherlands of 25.8% (2022: 25.8%)	148.4	(147.1)
Tax effect of:		
Deductible temporary differences for which no deferred tax asset is recognised (a)	(48.9)	(55.4)
Non-deductible expenses	(1.0)	(0.4)
Other	—	2.0
Income tax benefit (expense) at the effective tax rate 17.1% (2022: 35.2%)	**98.5**	**(200.9)**

(a) As of 1 January 2022, the interest deduction is limited to 20% of fiscal EBITDA. This limits our ability to recover non-deductible interest as well as losses on debt extinguishment; therefore, we have recorded not recognised deferred tax assets in respect of these items.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

					2023
In € millions	**Net balance at 1 January**	**Recognition in statement of profit or loss**	**Net balance at 31 December**	**Deferred tax assets (a)**	**Deferred tax liabilities**
Intangible assets	(907.4)	130.1	(777.3)	—	(777.3)
Property and equipment, net	(152.2)	(11.4)	(163.6)	—	(163.6)
Derivative financial instruments	(237.7)	112.9	(124.8)	—	(124.8)
Debt and interest	69.5	(47.2)	22.3	23.6	(1.3)
Other future deductible or taxable amounts	21.2	(0.2)	21.0	26.0	(5.0)
Net deferred tax liabilities	**(1,206.6)**	**184.2**	**(1,022.4)**	**49.6**	**(1,072.0)**

					2022
In € millions	**Net balance at 1 January**	**Recognition in statement of profit or loss**	**Net balance at 31 December**	**Deferred tax assets (a)**	**Deferred tax liabilities**
Intangible assets	(1,027.5)	120.1	(907.4)	—	(907.4)
Derivative financial instruments	34.4	(272.1)	(237.7)	—	(237.7)
Property and equipment, net	(181.9)	29.7	(152.2)	—	(152.2)
Debt and interest	(1.5)	71.0	69.5	71.3	(1.8)
Other future deductible or taxable amounts	21.9	(0.7)	21.2	27.2	(6.0)
Net deferred tax liabilities	**(1,154.6)**	**(52.0)**	**(1,206.6)**	**98.5**	**(1,305.1)**

(a) Based on management's best estimates, we believe that it is probable that sufficient future taxable profits will be generated to support the recognised deferred tax asset. As of 31 December 2023, we have unrecognised deferred tax assets of €146.7 million (2022: €97.8 million), reflecting the limitation to recover non-deductible interest as well as losses on debt extinguishment, following the interest deduction limitation to 20% of fiscal EBITDA as of 1 January 2022. These unrecognised deferred tax assets do not have any expiration date.

To stimulate innovation in the Netherlands, Dutch income tax law includes a facility under which profits attributable to qualifying innovative activities are taxed at a reduced tax rate of 9.0% (the Innovation Box Regime). We have entered into discussions with the Dutch tax authority regarding the applicability of the Innovation Box Regime to VodafoneZiggo. As the outcome of these discussions is pending, we have not accrued any potential tax benefits.

In December 2021, the Organisation for Economic Co-Operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) released Model Global Anti-Base Erosion (GLoBE) rules under Pillar Two. These rules provide for the taxation of certain large multinational corporations at a minimum rate of 15%, calculated on a jurisdictional basis. The Netherlands has enacted legislation to implement many aspects of the Pillar Two rules beginning on 1 January 2024, with certain remaining impacts to be effective from 1 January 2025. We do not currently anticipate that Pillar Two legislation will have a material impact on our consolidated financial statements considering that we anticipate our Pillar Two effective tax rate to be higher than the minimum rate for the jurisdiction in which we operate.

In the normal course of business, our income tax filings are subject to review by the Dutch tax authority. In connection with such review, disputes could arise with the tax authority over the interpretation or application of certain income tax rules related to our business. Such disputes may result in future tax and interest and penalty assessments by the tax authority. There are no material outstanding disputes as of 31 December 2023. The ultimate resolution of tax contingencies will take place upon the earlier of (i) the settlement date with the tax authority in either cash or agreement of income tax positions or (ii) the date when the tax authority is statutorily prohibited from adjusting the company's tax computations. In this respect tax filings for 2019-2022 are still open for examination by the Dutch tax authority.

Accounting policy - Income taxes

Income tax comprises the current and deferred income tax payable or receivable for the reporting period. Income tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity, or to business combinations.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Temporary differences arise when the carrying amount of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base). For taxable temporary differences, deferred tax liabilities are recognised. For deductible temporary differences, available tax losses and unused tax credits, a deferred tax asset is recognised, but only to the extent that it is probable that future taxable profits will be available for set-off or compensation. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and deferred tax liabilities are offset in the balance sheet if we have a legally enforceable right to offset current tax assets against current tax liabilities, insofar as they relate to the same financial year and deferred tax assets relate to income taxes levied by the same tax authority on the same taxable group, or the same fiscal unity.

The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the way we expect, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

8. Intangible assets and goodwill

Movements in intangible assets and goodwill were as follows:

In € millions	Goodwill	Customer relationships	Spectrum licenses	Software	Trade name	Software under construction	Total
Balance as at 1 January 2022:							
Cost	7,369.0	6,420.0	1,470.9	809.6	270.0	148.1	16,487.6
Accumulated amortisation and impairment	—	(2,591.8)	(429.5)	(571.7)	(54.0)	—	(3,647.0)
Carrying amount	7,369.0	3,828.2	1,041.4	237.9	216.0	148.1	12,840.6
Changes in carrying amount:							
Investments	—	—	—	—	—	137.3	137.3
Reclassification	—	—	—	62.8	—	(62.8)	—
Amortisation	—	(505.0)	(101.3)	(130.4)	(10.8)	—	(747.5)
Disposals	—	—	—	(447.0)	—	—	(447.0)
Accumulated amortisation of disposals	—	—	—	447.0	—	—	447.0
Other, net	—	—	—	1.2	—	—	1.2
Total changes in carrying amount	**—**	**(505.0)**	**(101.3)**	**(66.4)**	**(10.8)**	**74.5**	**(609.0)**
31 December 2022:							
Cost	7,369.0	6,420.0	1,470.9	426.6	270.0	222.6	16,179.1
Accumulated amortisation and impairment	—	(3,096.8)	(530.8)	(255.1)	(64.8)	—	(3,947.5)
Carrying amount	7,369.0	3,323.2	940.1	171.5	205.2	222.6	12,231.6
Changes in carrying amount:							
Investments	—	—	—	—	—	145.6	145.6
Reclassification	—	—	—	253.7	—	(253.7)	—
Amortisation	—	(504.9)	(101.1)	(121.9)	(10.8)	—	(738.7)
Impairment	—	—	—	(0.6)	—	—	(0.6)
Disposals	—	(60.0)	—	(164.3)	—	—	(224.3)
Accumulated amortisation of disposals	—	60.0	—	164.3	—	—	224.3
Other, net	—	—	—	(1.9)	—	(4.0)	(5.9)
Total changes in carrying amount	**—**	**(504.9)**	**(101.1)**	**129.3**	**(10.8)**	**(112.1)**	**(599.6)**
31 December 2023:							
Cost	7,369.0	6,360.0	1,470.9	505.0	270.0	110.5	16,085.4
Accumulated amortisation and impairment	—	(3,541.7)	(631.9)	(204.2)	(75.6)	—	(4,453.4)
Carrying amount	**7,369.0**	**2,818.3**	**839.0**	**300.8**	**194.4**	**110.5**	**11,632.0**

Goodwill

Goodwill represents the fair value of the combined business of VodafoneZiggo in excess of the fair value of the identifiable assets and liabilities assumed upon closing of the JV transaction. We have one cash-generating unit.

The annual impairment tests in 2023 and 2022 did not indicate that our carrying value is not recoverable. The recoverable amount is estimated based on value in use. The test was carried out by discounting future cash flows to be generated from the continuing use of our cash-generating unit and are based on past experience and our long-range plan. Projected cash flows for the first five years are based on the long-range plan as approved by management. Key assumptions used in the calculation of the recoverable amount are the EBITDA AL (EBITDA after Leases) margin, pre-tax weighted average cost of capital and the terminal value growth rate.

The following rates were applied in performing the impairment test:

	1 October 2023	1 October 2022
Goodwill carrying amount	7,369.0	7,369.0
EBITDA AL margin	45%-46%	44-47%
Pre-tax discount rate	7.5%	7.7%
Terminal value growth rate	1.5%	2.0%

The recoverable amount exceeds the carrying value by €2.4 billion. If the pre-tax discount rate increases by 1.0% or if the terminal value growth rate decreases by 1.2%, without taking into consideration any potential offsetting impacts, the recoverable amount of our cash-generating unit would be in line with its carrying amount.

Customer relationships

The majority of the customer relationships are related to Fixed-Mobile-Convergence (FMC). This comprises the customer relationships to which converged services are offered, resulting in (i) the highest rates of customer retention and (ii) the longest period over which the related future economic benefits will be received.

The remaining amortisation period for customer relationships is between 2 and 15 years.

Spectrum licenses

Represents primarily mobile spectrum licenses associated with our mobile operations. Spectrum licenses are the mobile spectrum licenses with a remaining useful life (license terms) between 7 and 18 years.

Software

Software comprises the costs of purchasing and developing computer software. These capitalised amounts generally have an estimated useful lives of 3-5 years, except for billing system software, that has an estimated useful life of 10 years.

Trade name

The trade name represents the future economic benefits arising from the Ziggo trade name. The remaining amortisation period for the trade name is 18 years.

Accounting policy - Intangible assets and goodwill

Customer relationships are initially recorded at their fair values in connection with business combinations and subsequently at cost less accumulated amortisation and impairments, if any. Upon closing the JV Transaction, our mobile spectrum licenses were recorded at their fair value and subsequent to the closing of the JV Transaction, we record licenses at costs less accumulated amortisation and impairments, if any.

Costs that are directly associated with the production of identifiable and unique software products controlled by the company, and that are expected to generate economic benefits beyond one year, are recognised as intangible assets and are amortised over their estimated useful life on a straight-line basis over a period of three to five years. Capitalised internal use software costs include only external direct costs of materials and services consumed in developing or obtaining the software and payroll and payroll-related costs for employees who are directly associated with the project. Capitalisation of these costs ceases no later than the point at which the project is substantially complete and ready for its intended purpose. Costs associated with maintaining computer software are recognised as an expense as incurred.

The trade name was initially recorded in connection with the JV transaction at fair value and is amortised over its estimated useful life on a straight-line basis.

Goodwill is not amortised, but instead is tested for impairment at least annually. Intangible assets with finite lives are amortised on a straight-line basis over their respective estimated useful lives to their estimated residual values and reviewed for impairment. Useful lives used to amortise our intangible assets are assessed periodically and are adjusted when warranted.

The estimated useful lives of our intangible assets are as follows:

Customer relationships	9-22 years
Spectrum licenses	17-20 years
Software	3-10 years
Trade name	25 years

Intangible assets are assessed at each reporting date to determine if any indication of an impairment exists. If any such indication exists, the recoverable amount of the asset is estimated, which is the higher of value in use and fair value less costs of disposal. When the carrying amount exceeds its recoverable amount, an impairment loss is recognised for the difference between those amounts. Impairments other than on goodwill are reversed if and to the extent that the impairment does not longer exist.

9. Property and equipment

Movements in property and equipment were as follows:

In € millions	Distribution systems	Customer premises equipment	Support equipment and buildings (a)	Assets under construction	Total
Balance as at 1 January 2022:					
Cost	5,581.5	961.7	448.8	189.9	7,181.9
Accumulated depreciation and impairment	(2,172.2)	(519.3)	(141.2)	—	(2,832.7)
Carrying amount	3,409.3	442.4	307.6	189.9	4,349.2
Changes in carrying amount:					
Investments	—	—	—	810.9	810.9
Reclassifications	426.8	260.6	42.8	(730.2)	—
Depreciation	(532.2)	(188.9)	(46.6)	—	(767.7)
Impairment	—	—	—	(0.8)	(0.8)
Disposals	(335.8)	(301.7)	(166.1)	—	(803.6)
Accumulated depreciation and impairment of disposals	335.8	301.7	166.1	—	803.6
Other, net	(1.1)	(15.0)	(2.5)	(2.7)	(21.3)
Total changes in carrying amount	**(106.5)**	**56.7**	**(6.3)**	**77.2**	**21.1**
Balance as at 31 December 2022:					
Cost	5,672.5	920.6	325.5	267.1	7,185.7
Accumulated depreciation and impairment	(2,369.7)	(421.5)	(24.2)	—	(2,815.4)
Carrying amount	3,302.8	499.1	301.3	267.1	4,370.3
Changes in carrying amount:					
Investments	—	—	—	752.1	752.1
Reclassifications	459.4	226.7	50.9	(737.0)	—
Depreciation	(550.4)	(197.0)	(51.4)	—	(798.8)
Impairment	—	—	—	(2.9)	(2.9)
Disposals	(178.0)	(147.5)	(36.7)	—	(362.2)
Accumulated depreciation and impairment of disposals	178.0	147.5	36.7	—	362.2
Other, net	—	—	1.7	2.0	3.7
Total changes in carrying amount	**(91.0)**	**29.7**	**1.2**	**14.2**	**(45.9)**
Balance as at 31 December 2023:					
Cost	5,953.9	999.8	350.7	281.3	7,585.7
Accumulated depreciation and impairment	(2,742.1)	(471.0)	(48.2)	—	(3,261.3)
Carrying amount	**3,211.8**	**528.8**	**302.5**	**281.3**	**4,324.4**

(a) All of the support equipment and buildings are pledged as security under our various debt instruments. For additional information, see *note 15*.

Accounting policy - Property and equipment

Property and equipment are stated at cost less accumulated depreciation. We capitalise costs associated with the construction of new, or upgrades to existing, fixed and mobile transmission and distribution facilities and the installation of new fixed-line services. Capitalised construction and installation costs include materials, labour, and other directly attributable costs. Installation activities that are capitalised include (i) the initial connection (or drop) from our fixed-line system to a customer location, (ii) the replacement of a drop, and (iii) the installation of equipment for new, or upgrades to existing fixed-line services. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to us. The costs of other customer-facing activities, such as reconnecting and disconnecting customer locations and repairing or maintaining drops, are expensed as incurred. Interest capitalised with respect to construction activities was not material during any of the periods presented.

Depreciation is computed using the straight-line method over the estimated useful life of the underlying asset. Property and equipment are depreciated over their estimated useful lives to their estimated residual values and reviewed for impairment. Depreciation starts as soon as the asset is available for its intended use, and ends at decommissioning or divestment. Useful lives used to depreciate our property and equipment are assessed periodically and are adjusted when warranted.

The estimated useful lives, per asset category, are as follows:

Distribution systems	4-30 years
Customer premises equipment	3-5 years
Support equipment and buildings	3-40 years

Additions, replacements, and improvements that extend the asset life are capitalised. Repairs and maintenance are charged to operations. We recognise a liability for asset retirement obligations in the period in which it is incurred if sufficient information is available to make a reasonable estimate of fair values. Asset retirement obligations may arise from the loss of rights of way that we obtain from local municipalities or other relevant authorities.

Property and equipment are assessed at each reporting date to determine if any indication of an impairment exists. If any such indication exists, the recoverable amount of the asset is estimated, which is the higher of value in use and fair value less costs of disposal. When the carrying amount exceeds its recoverable amount, an impairment loss is recognised for the difference between those amounts. Impairments are reversed if and to the extent that the impairment does not longer exist.

10. Leases

We enter into leases for network equipment, real estate, mobile site sharing and vehicles. We provide residual value guarantees on certain of our vehicle leases, which are included in our measurement of the lease obligation.

Right-of-use assets

The right-of-use assets (ROU assets) are separately presented on our consolidated statement of financial position. A summary of the carrying value of the underlying classes of assets is outlined below:

	31 December	
In € millions	2023	2022
Distribution systems	265.8	267.6
Support equipment and building	77.7	87.6
Total carrying amount	**343.5**	**355.2**

During the year, we recorded non-cash additions to our ROU assets of €78.1 million (2022: €36.2 million). In 2023, we realised €4.8 million (2022: €6.5 million) of income from sublease of miscellaneous sites, which is presented in revenue.

Lease expenses

A summary of our aggregate lease expense is outlined below:

	Year ended 31 December	
In € millions	2023	2022
Depreciation (a)	84.2	78.4
Interest expense (a)	14.4	12.3
Variable lease expense (b)	—	1.8
Total lease expense	**98.6**	**92.5**

(a) Our depreciation charge is related to asset classes (i) Distribution systems for €57.1 million (2022: €55.1 million), and (ii) Support, equipment and building for €27.1 million (2022: €23.3 million). Depreciation and interest expenses are included in our consolidated statements of operations and are presented as amortisation and depreciation, and finance costs, respectively.

(b) Variable lease expense represents payments made to a lessor during the lease term that vary because of a change in circumstance that occurred after the lease commencement date. Variable lease payments are expensed as incurred and included in cost of outsourced work and other external costs in our consolidated statement of operations.

Cash flow implications

A summary of our cash outflows relating to our leases, is outlined below:

	Year ended 31 December	
In € millions	2023	2022
Cash outflow from operating activities	14.4	12.2
Cash outflow from financing activities	84.4	82.0
Total cash outflows from leases	**98.8**	**94.2**

Maturities of lease obligations

The maturities of our lease obligations as of 31 December 2023 is presented below. Amounts presented below represent euro equivalents based on 31 December 2023 exchange rates:

In € millions	
Year ending 31 December:	
2024	92.8
2025	71.5
2026	58.1
2027	48.6
2028	39.2
2029 and thereafter	99.8
Total principal and interest payments	**410.0**
Less: present value discount	(52.2)
Present value of net minimum lease payments	**357.8**
Current portion	80.9
Non-current portion	276.9

Accounting policy - Leases

When we lease an asset, a right-of-use asset is recognised for the leased item and a lease liability is recognised for any lease payments to be paid over the lease term at the lease commencement date. The right-of-use asset is initially measured at cost, being the present value of the lease payments paid or payable, plus any initial direct costs incurred in entering the lease and less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. The lease term is determined as the non-cancellable term of a contract together with any periods covered by an option to extend the lease if we are reasonably certain to exercise this option or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised. If right-of-use assets are considered to be impaired, the carrying value is reduced accordingly.

Lease liabilities are initially measured at the discounted value of the lease payments over the lease term that are not paid at the commencement date. As the implicit discount rates on our leases are not readily available, we apply the incremental borrowing rate applicable at commencement date of a lease to determine the discounted value. The incremental borrowing rate is determined using a risk-free rate combined with a spread reflecting our credit risk.

After initial recognition, the lease liability is recorded at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate (e.g. an inflation related increase) or if our assessment of the lease term changes.

Purchase options are considered when we are reasonably certain to execute these options. Penalties for early termination of a lease are not included when we are reasonably certain that the related early termination will not take place.

The lease liability that is expected to be due within one year is presented in current liabilities, the long-term portion is included in non-current liabilities.

We apply the practical expedient not to separate non-lease components from lease components for certain lease-categories. We do not apply the practical expedients for low-value leases and short-term leases.

11. Contract assets and contract costs

	31 December	
In € millions	**2023**	**2022**
Contract assets (a)	67.9	58.2
Costs to obtain a contract	19.3	16.2
Costs to fulfil a contract	6.6	9.2
Total non-current contract assets and contract costs	**93.8**	**83.6**
Contract assets (a)	166.2	152.5
Costs to obtain a contract	57.0	51.2
Costs to fulfil a contract	4.7	5.6
Total current contract assets and contract costs	**227.9**	**209.3**
Total contract assets and contract costs	**321.7**	**292.9**

(a) Our contract assets are reported net of an allowance for doubtful accounts. Such allowance aggregated €5.4 million and €5.5 million at 31 December 2023 and 2022, respectively.

Contract costs

During 2023 and 2022, we amortised €90.4 million and €85.1 million, respectively, to cost of outsourced work and other external costs.

12. Trade and other receivables

	31 December	
In € millions	**2023**	**2022**
Trade receivables (a)	162.2	154.4
Related-party receivables (b)	23.0	47.3
Other receivables	3.6	8.7
Carrying amount	**188.8**	**210.4**

(a) All receivables have an estimated maturity shorter than one year, and no interest is charged on receivables.
(b) Related-party receivables represents non-interest bearing receivables from certain Liberty Global and Vodafone Group subsidiaries.

Trade receivables

In € millions	31 December 2023	2022
Trade accounts receivable	107.3	101.1
Unbilled revenue	81.5	77.6
Less: Allowance for impairment of trade accounts receivable and unbilled revenue (a)	(26.6)	(24.3)
Carrying amount	**162.2**	**154.4**

(a) The allowance for impairment of trade accounts receivable and unbilled revenue is based upon our assessment of probable losses. We use a number of factors in determining the allowance, including, among other things, collection trends, prevailing and anticipated economic conditions and specific customer credit risks. The allowance is maintained until either receipt of payment or the likelihood of collection is considered to be remote.

The ageing of the gross trade accounts receivable and unbilled revenue, as well as the associated allowance for credit losses, are outlined below:

	31 December 2023			31 December 2022		
		Allowance for credit losses:			Allowance for credit losses:	
In € millions	Trade accounts receivable and unbilled revenue, gross	Trade accounts receivable	Unbilled revenue	Trade accounts receivable and unbilled revenue, gross	Trade accounts receivable	Unbilled revenue
Current	129.8	(2.4)	(1.2)	125.4	(2.1)	(1.0)
30 days or less	22.3	(2.8)	—	21.0	(1.6)	—
31-60 days	9.4	(2.4)	—	9.0	(1.8)	—
61-180 days	15.7	(9.3)	—	11.1	(6.2)	—
Over 180 days	11.6	(8.5)	—	12.2	(11.6)	—
Total	**188.8**	**(25.4)**	**(1.2)**	**178.7**	**(23.3)**	**(1.0)**

The table below shows the movement of the allowance for impairment of trade accounts receivable and unbilled revenue:

In € millions	2023	2022
Allowance at 1 January	24.3	28.8
Provisions for impairment of trade accounts receivable and unbilled revenue	9.0	5.3
Write-off of receivables and other movements	(6.7)	(9.8)
Allowance at 31 December	**26.6**	**24.3**

Accounting policy - Trade and other receivables

Trade and other receivables are carried at amortised cost on the basis of the effective interest method, less impairment losses, unless it is a trade receivable without a significant financing component. The effective interest and impairment losses, if any, are directly recognised in the profit and loss account. Purchases and sales of financial assets that belong to the category trade and other receivables are accounted for at the transaction date.

For more general information related to the accounting policies of financial instruments, see *note 18*.

13. Cash and cash equivalents

	31 December	
In € millions	2023	2022
Money-market funds	89.2	58.0
Cash	27.4	35.6
Restricted cash	8.6	6.3
Carrying amount	**125.2**	**99.9**

All cash and cash equivalents are available on demand, with the exception of the restricted cash balances.

Accounting policy - Cash and cash equivalents

Cash and cash equivalents are held at amortised cost and consist of money market funds and other investments that are readily convertible into cash and have maturities of three months or less at the time of acquisition.

14. Group equity

Share capital

The Company's authorised capital is not limited. On 31 December 2023 and 2022, there were 104 ordinary shares of €1.- each issued and fully paid.

Share premium

Amounts contributed by the shareholders of the Company in excess of the nominal share capital, are accounted for as share premium. This also includes additional capital contributions by existing shareholders without the issue of shares or issue of rights to acquire shares of the Company.

The equity distributions to shareholders, declared and paid in 2023 and amounting to €200.0 million (2022: €500.0 million), have been deducted from the share premium.

The share premium, except for our legal reserves as disclosed in note 24 to our company financial statements, is freely distributable, subject to covenant testing as required by our third-party debt agreements and the equity distribution test as per Dutch law.

Retained earnings

The Management Board proposes, with the consent of the Supervisory Board, to the General Meeting to appropriate the result after tax for 2023 to retained earnings.

15. Debt

The euro-equivalents of the components of our third-party and related-party debt are as follows:

	31 December 2023			31 December 2022	
In € millions	Weighted average interest rate (a)	Carrying Value	Fair Value	Carrying Value	Fair Value
Senior and Senior Secured Notes	4.42%	5,424.9	4,789.9	5,530.2	4,513.8
Credit Facilities (b) (c)	7.42%	4,522.8	4,476.1	4,611.1	4,404.6
Vendor financing (d)	3.96%	999.6	999.6	999.5	999.5
Other debt	4.69%	177.3	175.8	168.4	167.9
Total third-party debt	**5.60%**	**11,124.6**	**10,441.4**	**11,309.2**	**10,085.8**
Related-party debt	5.55%	1,815.8	1,815.8	1,815.8	1,815.8
Total debt	**5.59%**	**12,940.4**	**12,257.2**	**13,125.0**	**11,901.6**
Current maturities of debt		**1,006.6**		**1,100.4**	
Non-current maturities of debt		**11,933.8**		**12,024.6**	

(a) Represents the weighted average interest rate in effect at 31 December 2023 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin. The interest rates presented represent stated rates and do not include the impact of derivative instruments, deferred financing costs, original issue premiums or discounts and commitment fees, all of which affect our overall cost of borrowing. Including the effects of derivative instruments, original issue premiums or discounts and commitment fees, but excluding the impact of deferred financing costs, the weighted average interest rate on our aggregate third-party variable- and fixed-rate indebtedness was 3.96% at 31 December 2023. The weighted average interest rate calculation includes principal amounts outstanding associated with all of our secured and unsecured borrowings. For information regarding our derivative instruments, see *note 19*.

(b) The Credit Facilities include two revolving facilities with a maximum borrowing capacity of €850.0 million, which were undrawn on 31 December 2023. Unused borrowing capacity represents the maximum availability under the Credit Facilities on 31 December 2023 without regard to covenant compliance calculations or other conditions precedent to borrowing. On 31 December 2023, based on the most restrictive applicable leverage covenants and leverage-based restricted payment tests, the full €850.0 million of unused borrowing capacity was available to be borrowed and there were no additional restrictions on our ability to make loans or distributions from this availability. Upon completion of the relevant 31 December 2023 compliance reporting requirements and based on the most restrictive applicable leverage covenants and leverage-based restricted payment tests, we expect that the full amount of unused borrowing capacity will continue to be available to be borrowed and that there will be no additional restrictions with respect to loans or distributions from this availability. Our above expectations do not consider any actual or potential changes in our borrowing levels or any amounts loaned or distributed subsequent to 31 December 2023, or the impact of additional amounts that may be available to borrow, loan or distribute under certain defined baskets under the Credit Facilities.

(c) Principal amounts include €2.3 million and €17.6 million at 31 December 2023 and 2022, respectively, of borrowings pursuant to an excess cash facility (Financing Facility) under the Credit Facilities. These borrowings are owed to a non-consolidated special purpose financing entity that has issued notes to finance the purchase of receivables due from our company to certain other third parties for amounts that we and our subsidiaries have vendor financed. To the extent that the proceeds from these notes exceed the amount of vendor financed receivables available to be purchased, the excess proceeds are used to fund this excess cash facility. During 2023, the Credit Facilities were amended to replace LIBOR with the Term Secured Overnight Financing Rate (Term SOFR) as the reference rate for US dollar denominated loans.

(d) Represents amounts owed to various creditors pursuant to interest-bearing vendor financing arrangements that are used to finance certain of our property and equipment additions and operating expenses. These arrangements extend our repayment terms beyond a vendor's original due dates (e.g. extension beyond a vendor's customary payment terms, which are generally 90 days or less) and as such are classified outside of accounts payable as debt on our consolidated balance sheets. These obligations are generally due within one year and include VAT that was also financed under these arrangements. For purposes of our consolidated statements of cash flows, operating-related expenses financed by an intermediary are treated as constructive operating cash outflows and constructive financing cash inflows when the intermediary settles the liability with the vendor as there is no actual cash outflow until we pay the financing intermediary. During 2023 and 2022, the constructive cash outflow included in cash flows from operating activities and the corresponding constructive cash inflow included in cash flows from financing activities related to these operating expenses was €776.1 million and €733.6 million, respectively. Repayments of vendor financing obligations at the time we pay the financing intermediary are included in repayments of third-party debt and finance lease obligations in our consolidated statements of cash flows.

Senior and Senior Secured Notes

The details of the outstanding Senior and Senior Secured Notes as of 31 December 2023 are summarised in the following table:

			Outstanding principal amount		
In millions	Maturity	Interest rate	Borrowing currency	Euro equivalent	Carrying value (a)
2027 Senior Notes	15 January 2027	6.000%	$625.0	€564.9	€558.7
2030 Dollar Senior Secured Notes	15 January 2030	4.875%	$991.0	895.7	902.0
2030 Euro Senior Secured Notes	15 January 2030	2.875%	€502.5	502.5	501.7
2030 Euro Senior Notes	28 February 2030	3.375%	€900.0	900.0	896.5
2030 Dollar Senior Notes	28 February 2030	5.125%	$500.0	451.9	449.1
2032 Dollar Senior Secured Notes	15 January 2032	5.000%	$1,525.0	1,378.3	1,370.9
2023 Euro Senior Secured Notes	15 January 2032	3.500%	€750.0	750.0	746.0
Total				**€5,443.3**	**€5,424.9**

(a) Amounts are net of unamortised premiums, discounts, fair value adjustments and deferred financing costs, as applicable.

Ziggo B.V., Ziggo Bond Company B.V. and VZ Secured Financing B.V. have issued certain Senior and Senior Secured Notes, respectively. In general, our Senior and Senior Secured Notes are senior obligations of the issuer of such notes that rank equally with all of the existing and future senior debt of such issuer and are senior to all existing and future subordinated debt of such issuer. Our Senior Secured Notes (i) contain certain guarantees from other subsidiaries of VodafoneZiggo (as specified in the applicable indenture), and (ii) are secured by certain pledges or liens over certain assets and/or shares of certain subsidiaries of VodafoneZiggo. In addition, the indentures governing our Senior and Senior Secured Notes contain certain covenants, the more notable of which are as follows:

- Subject to certain materiality qualifications and other customary and agreed exceptions, our notes contain (i) certain customary incurrence-based covenants and (ii) certain restrictions that, among other things, restrict the ability of certain of our subsidiaries to (a) incur or guarantee certain financial indebtedness, (b) make certain disposals and acquisitions, (c) create certain security interests over their assets, and (d) make certain restricted payments to their direct and/or indirect parent companies through dividends, loans or other distributions;
- Our notes provide that any failure to pay principal at its stated maturity (after the expiration of any applicable grace period) of, or any acceleration with respect to, other indebtedness of the issuer or certain of our subsidiaries over agreed minimum thresholds (as specified under the applicable indenture), is an event of default under the respective notes;
- If the relevant issuer or certain of its subsidiaries (as specified in the applicable indenture) sell certain assets, such issuer must, subject to certain materiality qualifications and other customary and agreed exceptions, offer to repurchase the applicable notes at par, or if a change of control (as specified in the applicable indenture) occurs, such issuer must offer to repurchase all of the relevant notes at a redemption price of 101%; and
- Our Senior Secured Notes contain certain early redemption provisions including the ability to, during each 12-month period commencing on the issue date for such notes until the applicable call date, redeem up to 10% of the original principal amount of the notes at a redemption price equal to 103% of the principal amount of the notes to be redeemed plus accrued and unpaid interest.

In January 2022, we published our new Sustainable Finance Framework (SFF) which incorporates our previously published Green Bond Framework. Our SFF enables us to issue green and sustainable financing and aligns our Corporate Social Responsibility strategy with our capital structure. Key Performance Indicators with corresponding Sustainable Performance Targets to halve our CO_2 emissions (Scope 1, 2 and 3) by 2025 (compared to 2018) are included in our SFF. Our SFF is aligned with the Green Bond Principles 2021, the Green Loan Principles 2021, the Sustainability-Linked Bond Principles 2020, and the Sustainability-Linked Loan Principles 2021 and has been certified by Sustainalytics, a leading and global independent company in Environmental, Social and Governance research and rating provider. In 2022, we issued our inaugural Sustainability-Linked Senior Secured Notes under our SFF. For additional information on the issuance of these notes, see *Financing Transactions* below.

All our notes are non-callable prior to the applicable Call Date presented in the table below. At any time prior to the applicable Call Date, we may redeem some or all of the applicable notes by paying a "make-whole" premium, which is the present value of all remaining scheduled interest payments to the applicable Call Date using the discount rate as of the redemption date plus a premium (each as specified in the applicable indenture).

Senior and Senior Secured Notes	Call Date
2027 Senior Notes	15 January 2022
2030 Dollar Senior Secured Notes	15 October 2024
2030 Euro Senior Secured Notes	15 October 2024
2030 Euro Senior Notes	15 February 2025
2030 Dollar Senior Notes	15 February 2025
2032 Dollar Senior Secured Notes	15 January 2027
2032 Euro Senior Secured Notes	15 January 2027

On or after the applicable Call Date, we may redeem some or all of these notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the applicable redemption date, as outlined below:

	Redemption price						
	2027 Senior Notes	2030 Dollar Senior Secured Notes	2030 Euro Senior Secured Notes	2030 Euro Senior Notes	2030 Dollar Senior Notes	2032 Dollar Senior Secured Notes	2032 Euro Senior Secured Notes
12-month period commencing	15 January	15 October	15 October	15 February	15 February	15 January	15 January
2024	101.000%	102.438%	101.438%	N.A.	N.A.	N.A.	N.A.
2025	100.000%	101.219%	100.719%	101.688%	102.563%	N.A.	N.A.
2026	100.000%	100.609%	100.359%	100.844%	101.281%	N.A.	N.A.
2027	100.000%	100.000%	100.000%	100.422%	100.641%	102.500%	101.750%
2028	N.A.	100.000%	100.000%	100.000%	100.000%	101.250%	100.875%
2029	N.A.	100.000%	100.000%	100.000%	100.000%	100.625%	100.438%
2030 and thereafter	N.A.	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%

Credit Facilities

The Credit Facilities are the Senior and Senior Secured Credit Facilities of certain subsidiaries of the Company. The details of our borrowings under the Credit Facilities as of 31 December 2023 are summarised in the following table:

Credit Facilities	Maturity	Interest rate	Facility amount (in borrowing currency) (a)	Outstanding principal amount	Unused borrowing capacity	Carrying value (b)
				In € millions		
Senior Secured Facilities:						
Facility H (c)	31 January 2029	EURIBOR + 3.00%	€2,250.0	2,250.0	—	2,242.5
Facility I	30 April 2028	SOFR + 2.50%	$2,525.0	2,282.1	—	2,278.0
Revolving Facility G1 (d)	31 January 2026	(d)	€125.0	—	125.0	—
Revolving Facility G2 (d)	30 September 2029	(d)	€725.0	—	725.0	—
Total Senior Secured Facilities				**4,532.1**	**850.0**	**4,520.5**
Senior Facilities:						
Financing Facility (e)	15 January 2029	2.875%	€2.3	2.3	—	2.3
Total				**4,534.4**	**850.0**	**4,522.8**

(a) Amounts represent total third-party facility amounts as of 31 December 2023.
(b) Amounts are net of unamortised premiums, discounts, and deferred financing costs, as applicable.
(c) Facility H has a EURIBOR floor of 0.0%.
(d) On 21 December 2023, the original revolving facility was bifurcated into two facilities, namely Revolving Facility G1 and Revolving Facility G2 (collectively, the 'Revolving Facilities'), of €125.0 million and €725.0 million with maturity dates of 31 January 2026 and 30 September 2029, respectively. The Revolving Facilities bear interest at EURIBOR plus 2.75% (subject to a leveraged margin ratchet) and has a fee on unused commitments of 40% of such margin per year. Subsequent to 31 December 2023, Revolving Facility G1 was reduced by €50.0 million and the total borrowing capacity of Revolving Facility G1 is €75.0 million, therefore bringing the total commitment under our Revolving Facilities to €800.0 million from April 2024 onwards.
(e) Amounts represent borrowings that are owed to a non-consolidated special purpose financing entity that has issued notes to finance the purchase of receivables due from our company to certain other third parties for amounts that we and our subsidiaries have vendor financed. To the extent that the proceeds from these notes exceed the amount of vendor financed receivables available to be purchased, the excess proceeds are used to fund this excess cash facility.

We have entered into a Senior Secured Credit Facility agreement with certain financial institutions and a Senior Credit Facility agreement with a non-consolidated special purpose financing entity (the Credit Facilities). Our Credit Facilities contain certain covenants, the more notable of which are as follows:

- Our Credit Facilities contain certain consolidated net leverage ratios, as specified in the relevant Credit Facility, which are required to be complied with (i) on an incurrence basis and/or (ii) in respect of our Senior Secured Credit Facilities, when the associated Revolving Credit Facilities has been drawn beyond a specified percentage of the total available revolving credit commitments on a maintenance basis;
- Subject to certain customary and agreed exceptions, our Credit Facilities contain certain restrictions which, among other things, restrict the ability of certain of our subsidiaries to (i) incur or guarantee certain financial indebtedness, (ii) make certain disposals and acquisitions, (iii) create certain security interests over their assets, and (iv) make certain restricted payments to their direct and/or indirect parent companies through dividends, loans or other distributions;
- Our Credit Facilities require that certain of our subsidiaries (i) guarantee the payment of all sums payable under the relevant Credit Facility and (ii) in respect of our Senior Secured Credit Facilities, grant first-ranking security over substantially all of their assets to secure the payment of all sums payable thereunder;
- In addition to certain mandatory prepayment events, the instructing group of lenders under our Senior Secured Credit Facilities, under certain circumstances, may cancel the commitments thereunder and declare the loans thereunder due and payable at par after the notice period following the occurrence of a change of control (as specified in our Senior Secured Credit Facilities);
- In addition to certain mandatory prepayment events, the individual lender under our Senior Credit Facilities, under certain circumstances, may cancel its commitments thereunder and declare the loans thereunder due and payable at a price of 101% after the notice period following the occurrence of a change of control (as specified in our Senior Credit Facilities);
- Our Credit Facilities contain certain customary events of default, the occurrence of which, subject to certain exceptions, materiality qualifications and cure rights, would allow the instructing group of lenders to (i) cancel the total commitments, (ii) declare that all or part of the loans be payable on demand, and/or (iii) accelerate all outstanding loans and terminate their commitments thereunder;
- Our Credit Facilities require that we observe certain affirmative and negative undertakings and covenants, which are subject to certain materiality qualifications and other customary and agreed exceptions;
- In addition to customary default provisions, our Senior Secured Credit Facilities include cross-default provisions with respect to our other indebtedness, subject to agreed minimum thresholds and other customary and agreed exceptions; and
- Our Senior Credit Facilities provide that any failure to pay principal at its stated maturity (after the expiration of any applicable grace period) of, or any acceleration with respect to, other indebtedness of the borrower or certain of our subsidiaries over agreed minimum thresholds (as specified under the Senior Credit Facilities), is an event of default under the Senior Credit Facilities.

Vendor Financing

The maturities of our vendor financing obligations as of 31 December 2023 are presented below (in millions):

Year ending 31 December:	
2024	999.6
Total vendor financing maturities	**999.6**
Current portion	999.6
Non-current portion	—

VZ Vendor Financing II B.V. (VZ Vendor Financing II), a third-party special purpose financing entity that is not consolidated by VodafoneZiggo, has issued an aggregate €700.0 million in notes maturing in January 2029 (the Vendor Financing II Notes). The net proceeds from the Vendor Financing II Notes are used by VZ Vendor Financing II to purchase from various third parties certain vendor-financed receivables owed by the Group. To the extent that the proceeds from the Vendor Financing II Notes exceed the amount of vendor-financed receivables available to be purchased, the excess proceeds are used to fund the Financing Facility. As additional vendor-financed receivables become available for purchase, VZ Vendor Financing II can request that we repay any amounts made available under the Financing Facility.

Financing transactions

2023 Financing transactions. In December 2023, we amended our Revolving Facility to provide for an additional €50.0 million of borrowing capacity and the Revolving Facility was split into two Revolving Facilities tranches (G1 and G2). Revolving Facility G1 has a maximum borrowing capacity of €125.0 million and matures in 2026. Revolving Facility G2 has a maximum borrowing capacity of €725.0 million and matures in 2029. This brings the total commitments under our Revolving Credit Facilities to €850.0 million.

2022 Financing transactions. In January 2022, we issued (i) $1,525.0 million (€1,347.5 million) principal amount of 5.0% Sustainability-linked Senior Secured Notes (the 2032 Dollar Senior Secured Notes) at an issue price of 99.0% of par, and (ii) €750.0 million principal amount of 3.5% Sustainability-linked Senior Secured Notes (the 2032 Euro Senior Secured Notes, and together with the 2032 Dollar Senior Secured Notes, the 2032 Senior Secured Notes) at an issue price of par, each in accordance with our new Sustainable Finance Framework and maturing on 15 January 2032. From 16 July 2026 and thereafter, the interest rates applicable to the 2032 Senior Secured Notes shall increase by a maximum of 0.25% per annum unless we have achieved certain sustainability performance targets.

The net proceeds of the issuance of these notes have been used to (i) redeem in full the outstanding principal amount of our 2027 Dollar Senior Secured Notes ($1,600.0 million) at a premium of 2.750% and (ii) redeem in full the outstanding principal amount of our 2027 Euro Senior Secured Notes (€620.0 million) at a premium of 2.125%.

In connection with this transaction, we recognised a loss on debt extinguishment of €71.1 million related to (i) the payment of €52.0 million of redemption premiums and (ii) the write-off of fair value adjustments and unamortised deferred financing costs of €19.1 million.

Maturities of Debt

The euro equivalents of the maturities of our debt as of 31 December 2023 are presented below:

In € millions	Third-party	Related-party	Total
Year ending 31 December:			
2024	1,006.6	—	1,006.6
2025	40.5	—	40.5
2026	129.8	—	129.8
2027	564.9	—	564.9
2028	2,282.1	—	2,282.1
Thereafter	7,130.6	1,815.8	8,946.4
Total debt maturities	**11,154.5**	**1,815.8**	**12,970.3**
Premiums, discounts and deferred financing costs, net	(29.9)	—	(29.9)
Total debt	**11,124.6**	**1,815.8**	**12,940.4**
Current portion	1,006.6	—	1,006.6
Non-current portion	**10,118.0**	**1,815.8**	**11,933.8**

Cash flow implications

The reconciliation of changes in debt, net derivative position and lease liabilities to cash flows from financing activities is as follows:

In € millions	Debt	Net derivative position	Lease liabilities	Total
1 January 2022	**(12,731.7)**	**(115.0)**	**(397.6)**	**(13,244.3)**
Cash flows from financing activities:				
Borrowings of third-party debt	(186.4)	—	—	(186.4)
Operating-related vendor financing additions	(733.6)	—	—	(733.6)
Repayments of third-party debt and lease obligations:				
Debt (excluding vendor financing)	145.0	—	—	145.0
Principal payments on operating-related vendor financing	715.8	—	—	715.8
Principal payments on capital-related vendor financing	532.4	—	—	532.4
Payments on lease obligations	—	—	82.0	82.0
Payment of financing costs and debt premiums	65.3	—	—	65.3
Net cash paid related to derivative instruments	—	(1.8)	—	(1.8)
Total cash flows from financing activities	**538.5**	**(1.8)**	**82.0**	**618.7**
Derivative realised and unrealised gains, net	—	1,189.6	—	1,189.6
Foreign currency translation losses	(344.7)	—	—	(344.7)
Loss on debt extinguishments and modification	(71.1)	—	—	(71.1)
Other liability-related changes	(515.9)	(42.2)	(57.2)	(615.3)
31 December 2022	**(13,124.9)**	**1,030.6**	**(372.8)**	**(12,467.1)**
Cash flows from financing activities:				
Borrowings of third-party debt	(655.8)	—	—	(655.8)
Operating-related vendor financing additions	(776.1)	—	—	(776.1)
Repayments of third-party debt and lease obligations:				
Debt (excluding vendor financing)	662.2	—	—	662.2
Principal payments on operating-related vendor financing	738.8	—	—	738.8
Principal payments on capital-related vendor financing	456.9	—	—	456.9
Payments on lease obligations	—	—	84.4	84.4
Total cash flows from financing activities	**426.0**	**—**	**84.4**	**510.4**
Derivative realised and unrealised losses, net	—	(260.4)	—	(260.4)
Foreign currency translation gains	183.7	—	—	183.7
Other liability-related changes	(425.2)	(161.9)	(69.4)	(656.5)
31 December 2023	**(12,940.4)**	**608.3**	**(357.8)**	**(12,689.9)**

Accounting policy - Debt

Debt is measured at amortised cost, using the effective interest rate method. The effective interest is directly recorded in the profit and loss account.

For more information related to the accounting policies of financial instruments, see *note 18*.

16. Trade and other payables

In € millions	31 December 2023	2022
Trade payables	588.9	585.8
Value-added tax (VAT) payable	136.2	126.6
Payroll tax and social security payable	20.1	15.7
Other	6.0	1.6
Total	**751.2**	**729.7**

All current liabilities have an estimated maturity shorter than one year, no interest is charged on trade and other payables.

Accounting policy - Trade and other payables

Trade and other payables (excluding VAT, payroll tax and social security payable) are measured at amortised cost using the effective interest method.

For more information related to the accounting policies of financial instruments, see *note 18*.

17. Accruals and deferred income

In € millions	31 December 2023	2022
Deferred revenue	189.0	181.6
Accrued interest payable	191.2	148.3
Accrued compensation and benefits	66.8	62.1
Accrued programming and copyright fees	33.4	39.9
Accrued capital expenditure	30.6	23.7
Subscriber deposits	20.6	22.9
Total	**531.6**	**478.5**

18. Financial instruments - Fair value and risk management

18.1 Fair value

The below table shows a summary of financial assets and liabilities at carrying amount and fair value, classified per category:

	31 December 2023		31 December 2022	
In € millions	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at FVTPL:				
Derivatives	726.2	726.2	1,139.0	1,139.0
Financial assets at amortised cost:				
Trade and other receivables	188.8	188.8	210.4	210.4
Cash and cash equivalents	125.2	125.2	99.9	99.9
Other assets	13.2	13.2	—	—
Total financial assets	**1,053.4**	**1,053.4**	**1,449.3**	**1,449.3**
Financial liabilities at FVTPL:				
Derivatives	117.9	117.9	108.4	108.4
Financial liabilities at amortised cost:				
Debt	12,940.4	12,257.2	13,124.9	11,901.5
Trade and other payables (a)	594.9	594.9	587.4	587.4
Accruals and deferred income (b)	342.6	342.6	296.9	296.9
Total financial liabilities	**13,995.8**	**13,312.6**	**14,117.6**	**12,894.2**

(a) The amount excludes payables related to VAT, payroll tax and social security.
(b) The amount excludes deferred revenue.

Of our categories of financial instruments, only derivatives are measured and recognised on the balance sheet at fair value. The recurring fair value measurements of these instruments are determined using discounted cash flow models. Most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these instruments. This observable data primarily includes currency rates, interest rate futures and swap rates, which are retrieved or derived from available market data, and are used to calculate, amongst other items, yield curves and forward interest and currency rates. Furthermore, we use a Monte Carlo-based approach to incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own non-performance risk and the non-performance risk of our counterparties. The inputs used for our credit risk valuation adjustments, including our and our counterparties' credit spreads represent our most significant Level 3 inputs, and these inputs are used to derive the credit risk valuation adjustments with respect to these instruments. As we would not expect these parameters to have a significant impact on the valuations of these instruments, we have determined that these valuations fall under Level 2 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our cross-currency and interest rate swap contracts are quantified and further explained in note 19.

Fair value measurements are also used in connection with non-recurring valuations performed in connection with impairment assessments and acquisition accounting. During 2023 and 2022, we did not perform significant non-recurring fair value measurements.

The estimated fair values of our (i) trade receivables and other receivables, (ii) cash and other cash equivalents, (iii) trade and other payables and (iv) accruals and deferred income are a reasonable approximation of their carrying amounts. The estimated fair values of our debt instruments are generally determined using the average of applicable bid and ask prices (Level 1).

Accounting policy - financial instruments

Fair value measurements

For information on the accounting policies related to fair value measurements, see *note 3*.

Financial instruments

Recognition and initial measurement

A financial asset or liability is recognised when we become party to a contract that is a financial instrument. Financial instruments are initially measured at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction costs are directly recognised in the profit and loss account at the initial recognition.

The accounting policies for subsequent measurement of (i) trade and other receivables, (ii) debt, (iii) trade and other payables and (iv) derivative instruments, are outlined in notes 12, 15, 16 and 19, respectively.

Derecognition

We derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which we neither transfers nor retains substantially all of the risks and rewards of ownership and we do not retain control of the financial asset.

We derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire. We also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

Classification

Financial instruments (and individual components of financial instruments) are presented in the consolidated financial statements in accordance with the contractual terms and our business model for managing them. Presentation of the financial instruments is based on the individual components of financial instruments as a financial asset, financial liability or equity instrument.

A financial asset and a financial liability are offset when we have a legally enforceable right to set off the financial asset and financial liability and we have the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

If there is a transfer of a financial asset that does not qualify for derecognition on the balance sheet, the transferred asset and the associated liability are not offset.

Impairment of financial assets

A financial asset that is not measured based on (i) fair value with value changes reflected in the profit and loss account, or at (ii) amortised cost or lower market value, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

We consider evidence of impairment at both individually and on a portfolio basis. All individually significant assets are assessed for specific impairment. The individually significant assets not found to be individually impaired and assets that are not individually significant are then collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, we use historical trends of the probability of default, the timing of collections and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

Impairment losses are recognised in the profit and loss account and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised by using the asset's original effective interest rate. For information related to allowance for impairment of trade receivables, see *note 12* to our consolidated financial statements.

When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the decrease in impairment loss is reversed through profit or loss up to the amount of the original cost.

18.2 Risk management

We are exposed to financial and operational risks. The financial risks are monitored through a risk control framework that is embedded in our organisational structure. To control these risks, we have instituted policies, including a code of conduct, and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets, and thus for our financial performance.

We have exposure to the following risks that arise from our financial instruments:

(a) Credit risk and counterparty credit risk
(b) Liquidity and cash flow risk
(c) Market risk

Credit risk and counterparty credit risk

Credit risk

Credit risk is the risk that we would experience financial loss if our customers or the counterparties to our financial instruments and cash investments were to default on their obligations to us.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before our standard payment and delivery terms and conditions are offered. Our review includes external ratings, when available, for the B2B segment. In monitoring customer credit risk, customers are grouped according to their credit characteristics. The credit risk on our trade receivables in the B2C segment is considered to be low as a result of the large residential customer base, the relatively small average outstanding balance per customer and the high percentage of customers who pay by direct debit. We use a number of factors in determining the allowance, including among other things, collection history, collection trends, customer specific credit plans and our disconnection policy.

The credit risk on trade receivables in the B2B segment is considered to be higher as compared to the B2C business as it concerns a smaller customer base with larger outstanding amounts per customer. Credit risk on these trade business receivables is controlled based on restrictive policies for client acceptance. Accepting certain new clients in this segment is based on credit management reports from credit bureaus. In addition, we keep track of the payment performance of customers. In case customers fail to meet set criteria, payment issues have to be solved before a new transaction with the customer will be entered into. We also manage risk by disconnecting services to customers whose accounts are delinquent.

The carrying amounts of our derivative financial instruments, trade and other receivables, contract assets and cash and cash equivalents represent the maximum credit exposure of our financial assets, which amounts to €1.1 billion on 31 December 2023 (2022: €1.5 billion).

For information regarding the ageing of our trade receivables and allowances of expected credit losses, see *note 12*. We do not require collateral in respect of trade and other receivables. The Group does not have trade receivable and contract assets for which no loss allowance is recognised because of collateral.

Counterparty credit risk

We are exposed to the risk that the counterparties to our derivative instruments and cash investments will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of and concentration of risk with the respective counterparties. In this regard, credit risk associated with our derivative instruments and cash investments is spread across a relatively broad counterparty base of banks and financial institutions. Collateral is generally not posted by either party under our derivative instruments and cash investments.

On 31 December 2023 and 2022, our exposure to counterparty credit risk included (i) derivative assets with an aggregate fair value of €613.6 million and €1,025.4 million, respectively, and (ii) cash and cash equivalents and restricted cash balances of €125.2 million and €99.9 million, respectively.

We have entered into derivative instruments under master agreements with each counterparty that contain master netting arrangements that are applicable in the event of early termination by either party to such derivative instrument. The master netting arrangements under each of these master agreements are limited to the derivative instruments governed by the relevant master agreement and are independent of similar arrangements.

Under our derivative contracts, it is generally only the non-defaulting party that has a contractual option to exercise early termination rights upon the default of the other counterparty and to set off other liabilities against sums due upon such termination. However, in an insolvency of a derivative counterparty, under the laws of certain jurisdictions, the defaulting counterparty or its insolvency representatives may be able to compel the termination of one or more derivative contracts and trigger early termination payment liabilities payable by us, reflecting any mark-to-market value of the contracts for the counterparty. Alternatively, or in addition, the insolvency laws of certain jurisdictions may require the mandatory set off of amounts due under such derivative contracts against present and future liabilities owed to us under other contracts between us and the relevant counterparty. Accordingly, it is possible that we may be subject to obligations to make payments, or may have present or future liabilities owed to us partially or fully discharged by set off as a result of such obligations, in the event of the insolvency of a derivative counterparty, even though it is the counterparty that is in default and not us. To the extent that we are required to make such payments, our ability to do so will depend on our liquidity and capital resources at the time. In an insolvency of a defaulting counterparty, we will be an unsecured creditor in respect of any amount owed to us by the defaulting counterparty, except to the extent of the value of any collateral we have obtained from that counterparty.

In addition, where a counterparty is in financial difficulty, under the laws of certain jurisdictions, the relevant regulators may be able to (i) compel the termination of one or more derivative instruments, determine the settlement amount and/or compel, without any payment, the partial or full discharge of liabilities arising from such early termination that are payable by the relevant counterparty or (ii) transfer the derivative instruments to an alternative counterparty.

Liquidity and cash flow risk

Liquidity risk is the risk that we will encounter difficulty in meeting our financial obligations. In addition to cash and cash equivalents, our primary sources of liquidity are cash provided by operations and access to unused borrowing capacity under our Revolving Facilities. For information regarding our unused borrowing capacity, see *note 15*.

Our liquidity requirements include general and administrative expenses and fees associated with the JV Service Agreements. From time to time, we may also require cash for (i) the repayment of its related-party debt and interest, (ii) the funding of dividends or equity distributions pursuant to the Shareholders Agreement, which requires us to distribute all unrestricted cash (as defined in the Shareholders Agreement) to the shareholders every three months (subject to VodafoneZiggo maintaining a minimum amount of cash and complying with the terms of its financing arrangements), (iii) the satisfaction of contingent liabilities, (iv) acquisitions and other investment opportunities and (v) income tax payments.

Management uses budgeting and cash flow forecasting tools to ensure that the cash position is sufficient to meet our financial obligations towards creditors and to comply with the leverage criteria of our loan covenants. For additional information see *note 15*.

The following table shows the timing of expected payments or receipts based on the contractually agreed upon terms of our financial liabilities as of 31 December 2023:

	Payment due during:						
In € millions	2024	2025	2026	2027	2028	Thereafter	Total
Debt:							
Principal	1,006.6	40.5	129.8	564.9	2,282.1	8,946.4	12,970.3
Interest (a)	751.5	696.3	696.0	677.5	546.1	778.9	4,146.3
Leases (undiscounted) (b)	92.8	71.5	58.1	48.6	39.2	99.8	410.0
Trade and other payables (c)	594.9	—	—	—	—	—	594.9
Accrued liabilities (d)	151.4	—	—	—	—	—	151.4
Projected derivative cash receipts, net (e)	(179.4)	(198.2)	(197.7)	(197.2)	(467.5)	(77.8)	(1,317.8)
Total	**2,417.8**	**610.1**	**686.2**	**1,093.8**	**2,399.9**	**9,747.3**	**16,955.1**

(a) Amounts are based on interest rates, interest payment dates, commitment fees and contractual maturities in effect as of 31 December 2023. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods.
(b) Amounts presented for leases include both principal and interest.
(c) The amount excludes payables related to VAT, payroll tax and social security.
(d) The amount excludes deferred revenue and accrued interest.
(e) The euro equivalents of our net projected cash flows associated with our derivative instruments are based on interest rate projections and exchange rates as of 31 December 2023. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments or receipts required in future periods. For additional information regarding our derivative instruments, see *note 19*.

Market risk

We are exposed to market risk in the normal course of our business operations. These market risks include interest rate risk and foreign currency risk. Market risk refers to the risk of loss arising from adverse changes in foreign currency exchange rates or interest rates. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future profits. As further described below, we have established policies, procedures and processes governing our management of market risks and the use of derivative instruments to manage our exposure to such risks.

Interest rate risk

We are exposed to changes in interest rates primarily as a result of our borrowing activities, which include fixed-rate and variable-rate borrowings. Our primary exposure to variable-rate debt is through EURIBOR-indexed and USD SOFR-indexed borrowings.

In relation to our variable-rate debt borrowings, certain underlying interest rate benchmarks were subject to international efforts to be reformed and/or replaced by alternative risk-free rates. As a consequence, USD LIBOR indexed borrowings have ceased to be published after 30 June 2023. Accordingly, The Alternative Reference Rate Committee, a committee convened by the Federal Reserve that includes major market participants, has identified Term SOFR, a new index calculated by short-term repurchase agreements backed by Treasury securities, as its preferred alternative rate for LIBOR. As a result, Term SOFR, as administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate), is now referenced for the calculation of interest for US dollar-denominated loans under our credit agreements. The impact of application of SOFR calculation is not materially different from what would have been calculated under USD LIBOR.

Generally, we mitigate the risk against increases in variable interest rates by entering into derivative instruments. We use interest rate derivative contracts to exchange, at specified intervals, the difference between fixed and variable interest rates calculated by reference to an agreed-upon notional principal amount. We also use (i) purchased interest rate cap and collar agreements to lock in a maximum interest rate if variable rates rise, but also allow our company to benefit, to a limited extent in the case of collars, from declines in market rates and (ii) purchased interest rate floor agreements to protect against interest rates falling below a certain level, generally to match a floating rate floor on a debt instrument. Under our current guidelines, we use various interest rate derivative instruments to mitigate interest rate risk, generally for five years. As such, the final maturity dates of our various portfolios of interest rate derivative instruments generally fall short of the respective maturities of the underlying variable-rate debt. In this regard, we use judgment to determine the appropriate composition and maturity dates of our portfolios of interest rate derivative instruments, considering the relative costs and benefits of different maturity profiles in light of current and expected future market conditions, liquidity issues and other factors. For additional information concerning the impacts of these interest rate derivative instruments, see *note 19*.

On 31 December 2023, the outstanding principal amount of our variable-rate indebtedness aggregated €5.0 billion, and the weighted average interest rate (including margin) on such variable-rate indebtedness was approximately 6.2%, excluding the effects of interest rate derivative contracts, deferred financing costs, original issue premiums or discounts and commitment fees, all of which affect our overall cost of borrowing. Assuming no change in the amount outstanding, and without giving effect to any interest rate derivative contracts, deferred financing costs, original issue premiums or discounts and commitment fees, a hypothetical 50 basis point (0.50%) increase (decrease) in our weighted average variable interest rate would increase (decrease) our annual consolidated interest expense and cash outflows by €25.0 million. As discussed above and in note 19, we use interest rate derivative contracts to manage our exposure to increases in variable interest rates. In this regard, increases in the fair value of these contracts generally would be expected to offset most of the economic impact of increases in the variable interest rates applicable to our indebtedness to the extent and during the period that principal amounts are matched with interest rate derivative contracts.

Foreign currency risk

We are exposed to foreign currency exchange rate risk with respect to our debt in situations where our debt is denominated in a currency other than our functional currency. Although we generally match the denomination of our and our subsidiaries' borrowings with our functional currency, market conditions or other factors may cause us to enter into borrowing arrangements that are not denominated in the functional currency of the underlying operations (unmatched debt). In these cases, our policy is to provide for an economic hedge against foreign currency exchange rate movements by using derivative instruments to synthetically convert unmatched debt into the applicable underlying currency. On 31 December 2023, substantially all of our debt was either directly or synthetically matched to the applicable functional currencies of the underlying operations. For additional information concerning the terms of our derivative instruments, see *note 19*.

19. Derivative financial instruments

We have entered into various derivative instruments to manage our interest rate and foreign currency exchange risk, as further described in note 18. The following table provides details of the fair values of our derivative instrument assets and liabilities:

	31 December 2023			31 December 2022		
In € millions	Current	Long-term	Total	Current	Long-term	Total
Assets:						
Cross-currency contracts (a)	133.0	376.6	509.6	132.0	666.5	798.5
Interest rate contracts (a)	85.0	131.6	216.6	38.1	302.4	340.5
Total	**218.0**	**508.2**	**726.2**	**170.1**	**968.9**	**1,139.0**
Liabilities:						
Cross-currency contracts (a)	9.0	45.1	54.1	4.4	32.2	36.6
Interest rate contracts (a)	39.4	24.2	63.6	36.8	34.8	71.6
Foreign currency forward contracts	0.2	—	0.2	0.2	—	0.2
Total	**48.6**	**69.3**	**117.9**	**41.4**	**67.0**	**108.4**

(a) We consider credit risk relating to our and our counterparties' non-performance in the fair value assessment of our derivative instruments. In all cases, the adjustments take into account offsetting liability or asset positions. The changes in the credit risk valuation adjustments associated with our cross-currency and interest rate derivative contracts resulted in net gains (losses) of €22.7 million and (€36.8 million) during 2023 and 2022, respectively. These amounts are included in net finance income (costs), in our consolidated statement of profit or loss and other comprehensive income. For further information regarding our fair value measurements, see *note 18*.

The details of our realised and unrealised gains (losses) on derivative instruments, net, are as follows:

	Year ended 31 December	
In € millions	2023	2022
Cross-currency contracts	(173.1)	729.7
Interest rate contracts	(87.1)	459.6
Foreign currency forward contracts	(0.2)	0.3
Total	**(260.4)**	**1,189.6**

The classification of the net cash inflows related to our derivative instruments is as follows:

	Year ended 31 December	
In € millions	2023	2022
Operating activities	161.8	42.2
Financing activities	—	1.8
Total	**161.8**	**44.0**

Details of our derivative instruments

In the following tables, we present the details of the various categories of our derivative instruments. The notional amounts of multiple derivative instruments that mature within the same calendar month are shown in the aggregate and interest rates are presented on a weighted average basis. In addition, for derivative instruments that were in effect as of 31 December 2023, we present a single date that represents the applicable final maturity date. For derivative instruments that become effective subsequent to 31 December 2023, we present a range of dates that represents the period covered by the applicable derivative instruments.

Cross-currency derivative contracts

As detailed in note 18, we are exposed to foreign currency exchange rate risk in situations where our debt is denominated in a currency other than our functional currency. Although we generally seek to match the denomination of our borrowings with our functional currency, market conditions or other factors may cause us to enter into borrowing arrangements that are not denominated in our functional currency (unmatched debt). Our policy is generally to provide for an economic hedge against foreign currency exchange rate movements by using derivative instruments to synthetically convert unmatched debt into the applicable underlying currency. On 31 December 2023, substantially all of our debt was either directly or synthetically matched to our functional currency. The weighted average remaining contractual life of our cross-currency derivative contracts on 31 December 2023 was 3.3 years.

The terms of our outstanding cross-currency derivative contracts on 31 December 2023 are as follows:

Final maturity date	Notional amount due from counterparty	Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to counterparty
	In € millions			
January 2025 (a)	$2,230.0	€1,985.9	4.03%	2.95%
April 2028	$2,050.0	€1,581.0	6 months SOFR + 2.93%	3.82%
January 2030	$1,525.0	€1,356.9	5.00%	3.53%
January 2025 (a)	€872.1	$980.0	0.31%	0.33%
January 2028	$500.0	€450.0	4.88%	6 months EURIBOR + 3.04%
February 2028	$500.0	€429.9	5.13%	3.64%
January 2028	$491.0	€406.8	4.88%	3.85%
April 2028	$475.0	€431.4	6 months SOFR + 2.93%	6 months EURIBOR + 2.58%
April 2025	$325.0	€302.8	6 months SOFR + 2.93%	6 months EURIBOR + 2.42%

(a) Includes certain derivative instruments that do not involve the exchange of notional amounts at the inception and maturity of the instruments. Accordingly, the only cash flows associated with these derivative instruments are interest-related payments and receipts. On 31 December 2023, the total euro equivalent of the notional amounts of these derivative instruments was €1,437.0 million.

Interest rate swap contracts

As detailed in note 18, we enter into interest rate swap contracts to protect against increases in the interest rates on our variable-rate debt. Pursuant to these derivative instruments, we typically pay fixed interest rates and receive variable interest rates on specified notional amounts. On 31 December 2023, the related weighted average remaining contractual life of our interest rate swap contracts was 4.9 years.

The terms of our outstanding interest rate swap contracts on 31 December 2023 are as follows:

Final maturity date	Notional amount	Interest rate due from counterparty	Interest rate due to counterparty
	In € millions		
January 2029	2,250.0	6 months EURIBOR	1.20%
January 2028	450.0	6 months EURIBOR	0.03%
April 2028	431.4	6 months EURIBOR	1.59%
April 2025	11.0	6 months EURIBOR	2.71%
	3,142.4		

Basis swaps

Our basis swaps involve the exchange of attributes used to calculate our floating interest rates, including (i) the benchmark rate, (ii) the underlying currency, and/or (iii) the borrowing period. We typically enter into these swaps to optimise our interest rate profile based on our current evaluations of yield curves, our risk management policies and other factors. On 31 December 2023, the euro equivalent of the notional amount due from the counterparty was €2,282.1 million and the related weighted average remaining contractual life of our interest basis swap contracts was 0.8 years.

The terms of our outstanding basis swap contracts on 31 December 2023 are as follows:

Final maturity date	Notional amount	Interest rate due from counterparty	Interest rate due to counterparty
	In € millions		
October 2024	$2,525.0	1 month SOFR + 2.61%	6 months SOFR + 2.69%

Interest rate options

From time to time, we enter into interest rate cap, floor and collar agreements that lock in a maximum interest rate if variable rates rise, but also allow our company to benefit, to a limited extent in the case of collars, from declines in market rates. Purchased interest rate floors protect us from interest rates falling below a certain level, generally to match a floating rate floor on a debt instrument. On 31 December 2023, we had no interest rate collar agreements, and the notional amounts of our interest rate caps and floors were €205.0 million and €2,250.0 million, respectively.

Foreign currency forwards

We enter into foreign currency forward contracts with respect to non-functional currency exposure. On 31 December 2023, the euro equivalent of the notional amount of our foreign currency forward contracts was €28.1 million.

Impact of derivative instruments on borrowing costs

The impact of the derivative instruments that mitigate our foreign currency and interest rate risk, as described above, was a decrease of 172 basis points to our third-party borrowing costs as of 31 December 2023.

Accounting policy - Derivatives

Derivative instruments, including embedded derivatives that are separated from their host contract, are recorded on the balance sheet at fair value. As we do not apply hedge accounting to any of our derivative instruments, changes in the fair values of the derivative instruments are recognised in the profit and loss account.

20. Off-balance sheet assets and liabilities

Commitments

As further described in note 21, we have commitments related to the JV Service Agreements. Additionally, in the normal course of business, we have entered into agreements that commit our company to make cash payments in future periods with respect to programming contracts, purchases of customer premises and other equipment and services and other items. The following table sets forth these commitments as of 31 December 2023. The commitments included in this table do not reflect any liabilities that are included in our 31 December 2023 consolidated balance sheet.

	Payments due during:						
In € millions	2024	2025	2026	2027	2028	Thereafter	Total
Programming commitments	142.9	96.3	53.2	32.0	14.1	—	338.5
Purchase commitments	275.1	18.7	4.4	1.0	—	—	299.2
JV Service Agreements (a)	107.9	31.9	31.9	30.5	30.0	—	232.2
Other commitments	28.5	18.7	10.3	9.8	9.5	24.0	100.8
Total	**554.4**	**165.6**	**99.8**	**73.3**	**53.6**	**24.0**	**970.7**

(a) Amounts represent fixed minimum charges from Liberty Global and Vodafone pursuant to the JV Service Agreements. In addition to the fixed minimum charges, the JV Service Agreements provide for certain JV Services to be charged to us based upon usage of the services received. The fixed minimum charges outlined in the table above exclude fees for the usage-based services as these fees will vary from period to period. Accordingly, we expect to incur charges in addition to those outlined in the table above for usage-based services. The JV Service Agreements are currently under revision, including technical descriptions and commercial terms, and are expected to be finalised in the first half of 2024. Whilst the revision of the agreement is ongoing, the current agreement has been extended to 30 June 2024.

Programming commitments consist of obligations associated with certain of our programming contracts that are enforceable and legally binding on us as we have agreed to pay minimum fees without regard to (i) the actual number of subscribers to the programming services or (ii) whether we terminate service to a portion of our subscribers or dispose of a portion of our distribution systems. In addition, programming commitments do not include increases in future periods associated with contractual inflation or other price adjustments that are not fixed. Accordingly, the amounts reflected in the above table with respect to these contracts are significantly less than the amounts we expect to pay in these periods under these contracts. Historically, payments to programming vendors have represented a significant portion of our operating costs, and we expect that this will continue to be the case in future periods. In this regard, in 2023 and 2022 the programming and copyright costs incurred by our operations aggregated €284.3 million and €301.5 million, respectively.

Purchase commitments include unconditional and legally binding obligations related to the purchase of customer premises, other equipment and mobile handsets.

Other commitments primarily include sponsorships and certain fixed minimum contractual commitments.

In addition to the commitments outlined in the table above, we have commitments under (i) derivative instruments and (ii) multi-employer defined benefit plans, pursuant to which we expect to make payments in future periods. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments in 2023, see *note 19*.

Guarantees and other credit enhancements

In the ordinary course of business, we may provide (i) indemnifications to our lenders, our vendors and certain other parties and (ii) performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

Regulations and contingencies

Spectrum auction. The Dutch Government is planning to auction 300 MHz in the 3.5 GHz band for mobile services. This auction has been delayed as a result of court rulings regarding the protection of satellite services and is currently expected to take place in Q2 or Q3 2024. Further delays are possible.

VAT. Our application of VAT with respect to certain mobile revenue generating activities has been challenged by the Dutch tax authorities in two different court cases. The Dutch tax authorities challenged the multipurpose character of certain mobile subscriptions that we entered into during 2017 and 2018. The initial verdict in both cases was in favor of the tax authorities. We appealed these decisions to the higher court and the hearing of both cases was held in February 2023. In May 2023, the higher court ruled in favor of the Dutch tax authorities in both cases. Accordingly, in 2023, we recorded a provision for litigation of €33.4 million and related interest expense of €2.5 million. We have filed an appeal in cassation and the timing of the final outcome remains uncertain.

Other regulatory matters. Broadband internet, video distribution, fixed-line telephony, mobile and content businesses are subject to significant regulation and supervision by various regulatory bodies in the Netherlands, including Dutch and European Union (E.U.) authorities. Adverse regulatory developments could subject our business to a number of risks. Regulation, including conditions imposed on us by competition or other authorities as a requirement to close acquisitions or dispositions, could limit growth, revenue and the number and types of services offered and could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing restrictions, interconnect and other access obligations, and restrictions or controls on content, including content provided by third parties. Failure to comply with current or future regulation could expose our business to various penalties.

In addition to the foregoing items, we have contingent liabilities related to matters arising in the ordinary course of business, including (i) legal proceedings, (ii) issues involving VAT and wage, property, withholding and other tax issues and (iii) disputes over interconnection, programming, copyright and channel carriage fees. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our results of operations, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

21. Transactions with related parties

Transactions with shareholders

The transactions with (subsidiaries of) our shareholders for the periods are as follows:

	Year ended 31 December	
In € millions	2023	2022
Revenue	20.4	20.5
Cost of outsourced work and other external costs	(61.2)	(59.7)
Wages and salaries	8.3	10.4
Impairment, restructuring and other operating items, net	—	0.4
Related party framework agreement charges:		
Charges from Liberty Global:		
Operating (a)	(85.9)	(89.9)
Capital (b)	(16.3)	(16.3)
Total Liberty Global corporate charges	**(102.2)**	**(106.2)**
Charges from Vodafone:		
Operating (c)	(74.5)	(78.1)
Trade name fees (d)	(30.0)	(30.0)
Total Vodafone Group corporate charges	**(104.5)**	**(108.1)**
Total related party framework agreement charges	**(206.7)**	**(214.3)**
Included in operating profit	(239.2)	(242.7)
Finance costs	(102.2)	(102.2)
Included in earnings (loss) before tax	**(341.4)**	**(344.9)**
Property and equipment additions, net	**191.5**	**215.3**

(a) Represents amounts charged for technology and other services, a portion of which are included in the calculation of the 'EBITDA' metric specified by our debt agreements (Covenant EBITDA).
(b) Represents amounts charged for capital expenditures made by Liberty Global related to assets that we use or will otherwise benefit our company. These charges are not included in the calculation of Covenant EBITDA.
(c) Represents amounts charged by Vodafone Group for technology and other services, a portion of which are included in the calculation of Covenant EBITDA.
(d) Represents amounts charged for our use of the Vodafone brand name. These charges are not included in the calculation of Covenant EBITDA.

Revenue. Amount represents interconnect fees charged by us to certain subsidiaries of Vodafone.

Cost of outsourced work and other external costs. Amounts represent interconnect fees charged to us by certain subsidiaries of Vodafone.

Wages and salaries. Amount represents recharges for certain personnel services provided to Vodafone Group and Liberty Global.

Related party framework agreement charges. Pursuant to a framework and a trade name agreement (collectively, the JV Service Agreements), Liberty Global and Vodafone charge us fees for certain services provided to us by the respective subsidiaries of the shareholders (collectively, the JV Services). The JV Services are provided to us on a transitional basis. Pursuant to the terms of the JV Service Agreements, the JV Services can be terminated based on specified notice periods. The JV Services provided by the respective subsidiaries of the shareholders consist primarily of (i) technology and other services, (ii) capital-related expenditures for assets that we use or otherwise benefit us, and (iii) brand name and procurement fees. The fees that Liberty Global and Vodafone charge us for the JV Services, as outlined in the table above, include both fixed and usage-based fees. The JV Service Agreements are currently under revision, including technical descriptions and commercial terms, and are expected to be finalised in the first half of 2024. Whilst the revision of the agreement is ongoing, the existing agreement was extended to 30 June 2024. For further information regarding future commitments related to the framework agreement, see *note 20*.

Finance costs. Amount relates to the Liberty Global Notes and the Vodafone Group Notes, as defined and described below.

Property and equipment additions, net. These amounts, which are cash settled, represent customer premises and network-related equipment acquired from certain Liberty Global and Vodafone Group subsidiaries, which subsidiaries centrally procure equipment on behalf of our company.

The following table provides details of our balances with (subsidiaries of) our shareholders:

	31 December	
In € millions	2023	2022
Assets:		
Trade and other receivables (a)	23.0	47.3
Liabilities:		
Trade and other payables (b)	150.9	150.8
Accruals and deferred income (b)	4.4	15.7
Debt (c):		
Liberty Global Notes	907.9	907.9
Vodafone Notes	907.9	907.9
Non-current lease liabilities (d)	2.0	2.2
Total liabilities	**1,973.1**	**1,984.5**

(a) Represents non-interest bearing receivables from certain Liberty Global and Vodafone Group subsidiaries.
(b) Represents non-interest bearing payables, accrued capital expenditures and other accrued liabilities related to transactions with certain Liberty Global and Vodafone Group subsidiaries that are cash settled.
(c) Represents debt obligations, as further described below.
(d) Represents lease liabilities, related to Vodafone.

Related-party debt

Liberty Global Notes. The Liberty Global Notes comprise (i) a euro-denominated note payable to a subsidiary of Liberty Global with a principal amount of €700.0 million on 31 December 2023 (the Liberty Global Note Payable I) and (ii) a euro-denominated note payable to a subsidiary of Liberty Global entered into during the third quarter of 2020 with a principal amount of €207.9 million on 31 December 2023 (the Liberty Global Note Payable II, and, together with the Liberty Global Note Payable I, the Liberty Global Notes Payable), out of which, €103.9 million was drawn during July 2021, to fund the final instalment of spectrum license fees due to the Dutch government. The Liberty Global Notes Payable each bear interest at a fixed rate of 5.55% and have a final maturity date of 31 December 2030. During the year ended 31 December 2023, interest accrued on the Liberty Global Notes Payable was €51.1 million, all of which has been cash settled.

Vodafone Notes. The Vodafone Notes comprise (i) a euro-denominated note payable to a subsidiary of Vodafone with a principal amount of €700.0 million on 31 December 2023 (the Vodafone Note Payable I) and (ii) a euro-denominated note payable to a subsidiary of Vodafone Group entered into during the third quarter of 2020 with a principal amount of €207.9 million on 31 December 2023 (the Vodafone Note Payable II, and, together with the Vodafone Note Payable I, the Vodafone Notes Payable), out of which, €103.9 million was drawn during July 2021, to fund the final instalment of spectrum license fees due to the Dutch government. The Vodafone Notes Payable each bear interest at a fixed rate of 5.55% and have a final maturity date of 31 December 2030. During the year ended 31 December 2023, interest accrued on the Vodafone Notes Payable was €51.1 million, all of which has been cash settled.

Shareholders agreement

In connection with the JV Transaction, on 31 December 2016 Liberty Global and Vodafone entered into a shareholders agreement (the Shareholders Agreement) with VodafoneZiggo Group Holding in respect of the VodafoneZiggo JV. Each Shareholder holds 50% of the issued share capital of VodafoneZiggo Group Holding. The Shareholders Agreement contains customary provisions for the governance of a 50:50 joint venture that result in Liberty Global and Vodafone having joint control over decision making with respect to the VodafoneZiggo JV. Furthermore, each Shareholder has the right to initiate an initial public offering (IPO) of the VodafoneZiggo JV with the opportunity for the other Shareholder to sell shares in the IPO on a pro rata basis. As of 1 January 2021, each Shareholder has the right to initiate a sale of all of its interest in the VodafoneZiggo JV to a third party and, under certain circumstances, initiate a sale of the entire VodafoneZiggo JV, subject, in each case, to a right of first offer in favor of the other Shareholder.

The Shareholders Agreement also provides (i) for a dividend policy that requires the VodafoneZiggo JV to distribute all unrestricted cash to the Shareholders as soon as reasonably practicable following each three-month period (subject to the VodafoneZiggo JV maintaining a minimum amount of cash and complying with the terms of financing arrangements of its subsidiaries) and (ii) that the VodafoneZiggo JV will be managed with a leverage ratio of between 4.5 and 5.0 times Covenant EBITDA (as calculated pursuant to existing financing arrangements of its subsidiaries) with the VodafoneZiggo JV undertaking periodic recapitalisations and/or refinancings accordingly.

In accordance with the dividend policy prescribed in the Shareholder Agreement, VodafoneZiggo made total equity distributions of €200.0 million and €500.0 million during 2023 and 2022, respectively, to its Shareholders. These distributions are reflected as a decrease to our equity attributable to equity owners of the Company in our consolidated statement of changes in equity.

Transactions with key management

Key management personnel compensation comprised the following:

In € millions	2023	2022
Short-term employee benefits	2.8	2.7
Other long-term benefits	3.9	4.0
Post-employment benefits	0.2	0.2
	6.9	**6.9**

The emoluments, including pension costs as referred to in Section 2:383(1) of the Dutch Civil Code charged in the financial period to the Company and its subsidiaries for our Management Board and Supervisory Board amounted to €6.8 million (2022: €6.8 million) and €0.1 million (2022: €0.1 million), respectively. There are no former members of the Management Board and the Supervisory Board that have received remuneration.

Company statement of profit or loss

In € millions	Note	Year ended 31 December 2023	2022
Share in result of subsidiaries, after tax	23	(476.6)	369.3
Other income and expenses, after tax		—	—
Net result		**(476.6)**	**369.3**

Company statement of financial position

(before result appropriation)

In € millions	Notes	31 December 2023	2022
Assets:			
Investment in subsidiaries	23	1,910.0	2,586.6
Total non-current assets		**1,910.0**	**2,586.6**
Other current assets		0.2	0.1
Total current assets		**0.2**	**0.1**
Total assets		**1,910.2**	**2,586.7**
Equity:			
Shareholders' equity:			
Issued capital		0.0	0.0
Share premium*		3,339.0	3,539.0
Accumulated result		(952.4)	(1,321.7)
Result after tax		(476.6)	369.3
Total shareholders equity	24	**1,910.0**	**2,586.6**
Related party payable		0.2	0.1
Total current liabilities		**0.2**	**0.1**
Total equity and liabilities		**1,910.2**	**2,586.7**

* Prior year presentation has been adjusted to comply with current year presentation.

Notes to the Company financial statements

22. Basis of presentation

The company financial statements are part of the statutory financial statements of the Company. The financial information of the Company is included in the consolidated financial statements.

Accounting policies

The Company financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of results for its separate financial statements, the Company makes use of the option provided in section 2:362(8) of the Dutch Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the Company financial statements are the same as those applied for the consolidated EU-IFRS financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. In case no other principles are mentioned, refer to the accounting principles as described in the consolidated financial statements. For an appropriate interpretation of these statutory financial statements, the Company financial statements should be read in conjunction with the consolidated financial statements. Information on the use of financial instruments and on related risks for the Group is provided in the notes to the consolidated financial statements. All amounts in the company financial statements are presented in € millions, unless stated otherwise.

Investment in subsidiaries

Subsidiaries are all entities in which the Company has directly or indirectly control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the group company and has the ability to affect those returns through its power over the group company. Group companies are recognised from the date on which control is obtained by the Company and derecognised from the date that control by the Company over the group company ceases. Investments in subsidiaries are accounted for in the separate financial statements according to the equity method, with the principles for the recognition and measurement of assets and liabilities and the determination of results as set out in the notes to the consolidated financial statements.

Investments with a negative net asset value are valued at nil. This measurement also covers any receivables provided to the subsidiaries that are, in substance, an extension of the net investment. In particular, this relates to loans for which settlement is neither planned nor likely to occur in the foreseeable future. A share in the profits of the subsidiary in subsequent years will only be recognised if and to the extent that the cumulative unrecognised share of loss has been absorbed. If the Company fully or partially guarantees the debts of the relevant subsidiary, or if it has the constructive obligation to enable the subsidiary to pay its debts (for its share therein), then a provision is recognised accordingly to the amount of the estimated payments by the Company on behalf of the subsidiary. This provision is primarily charged to the receivables on the respective subsidiary that can be regarded as part of the net investment, and for the remainder it is presented under provisions.

Share in result of subsidiaries

This item concerns the Company's share of the profit or loss of these subsidiaries. Results on transactions involving the transfer of assets and liabilities between the Company and its subsidiaries and mutually between subsidiaries themselves, are eliminated to the extent that they can be considered as not realised.

Corporate income tax

The VodafoneZiggo Fiscal Unity (Fiscal Unity), established on the level of VodafoneZiggo Group Holding, is one taxpayer for Dutch tax purposes. Effective 1 January 2023, the Fiscal Unity implemented a tax-sharing agreement to formalise the policy of recording income taxes at the level of VodafoneZiggo Group B.V. on a separate return basis. In accordance with this agreement, VodafoneZiggo Group B.V. has assumed the liability of the Fiscal Unity with respect to income taxes payable to the Dutch tax authorities. No settlements will be made between the Company, VodafoneZiggo Group B.V., or its subsidiaries related to Dutch tax liabilities or tax attributes.

23. Investment in subsidiaries

In € millions	2023	2022
Balance as at 1 January	2,586.6	2,717.6
Equity distributions	(200.0)	(500.0)
Share in result of subsidiaries	(476.6)	369.3
Other	—	(0.3)
Carrying amount as at 31 December	**1,910.0**	**2,586.6**

Consolidated subsidiaries

The Company is at the head of the Group and has (in)direct interests in the following entities:

	Legal seat	Interest
Consolidated subsidiaries:		
VodafoneZiggo Group B.V.	Utrecht	100
Liberty Global Content Netherlands B.V.	Utrecht	100
LGE HoldCo V B.V.	Amsterdam	100
LGE HoldCo VI B.V.	Amsterdam	100
LGE HoldCo VII B.V.	Amsterdam	100
LGE Holdco VIII B.V.	Amsterdam	100
FinCo Partner 1 B.V.	Amsterdam	100
LG Financing Partnership	Delaware (US)	100
Ziggo Real Estate B.V.	Utrecht	100
Zesko B.V.	Amsterdam	100
Ziggo Bond Company B.V.	Amsterdam	100
Amsterdamse Beheer en Consultingmaatschappij B.V.	Amsterdam	100
Ziggo B.V.	Utrecht	100
Ziggo Services B.V.	Utrecht	100
Ziggo Zakelijk Services B.V.	Utrecht	100
Ziggo Services Employment B.V.	Utrecht	100
Ziggo Deelnemingen B.V.	Amsterdam	100
Ziggo Services Netwerk 2 B.V.	Utrecht	100
Ziggo Netwerk B.V.	Groningen	100
Ziggo Netwerk II B.V.	Utrecht	100
Ziggo Finance 2 B.V.	Utrecht	100
Ziggo Financing Partnership	Delaware (US)	100
ZUM B.V.	Amsterdam	100
Esprit Telecom B.V.	Amsterdam	100
Zoranet Connectivity Services B.V.	Zwolle	100
XB Facilities B.V.	Almere	100
Vodafone Nederland Holding I B.V.	Amsterdam	100
Vodafone Nederland Holding II B.V.	Amsterdam	100
Vodafone Libertel B.V.	Maastricht	100
Vodafone Financial Services B.V.	Maastricht	100
VZ Financing I B.V.	Amsterdam	100
VZ Financing II B.V.	Amsterdam	100
VZ FinCo B.V.	Utrecht	100
VodafoneZiggo Employment B.V.	Utrecht	100
VZ Secured Financing B.V.	Utrecht	100
VZ PropCo B.V.	Utrecht	100
Vodafone Antennelocaties B.V.	Maastricht	100
Other investments:		
SBC Smart City 1517 B.V.	Amsterdam	10
SBC Amsterdam 2012 B.V.	Amsterdam	10
Wireless Interactions & NFC Accelerator 2013 B.V.	Amsterdam	10
SBC Smart City & IOT 1820 B.V.	Amsterdam	10

24. Shareholders' equity

The details of our movements in shareholders' equity during 2023 and 2022 are outlined below:

In € millions	Share capital	Share premium*	Accumulated result	Unappropriated result	Total
Balance as at 1 January 2022	**0.0**	**4,039.3**	**(1,173.9)**	**(147.8)**	**2,717.6**
Changes in financial year 2022:					
Appropriation of result	—	—	(147.8)	147.8	—
Net result for the year	—	—	—	369.3	369.3
Equity distributions	—	(500.0)	—	—	(500.0)
Other	—	(0.3)	—	—	(0.3)
Balance as at 31 December 2022	0.0	3,539.0	(1,321.7)	369.3	2,586.6
Changes in financial year 2023:					
Appropriation of result	—	—	369.3	(369.3)	—
Net result for the year	—	—	—	(476.6)	(476.6)
Equity distributions	—	(200.0)	—	—	(200.0)
Balance as at 31 December 2023	**0.0**	**3,339.0**	**(952.4)**	**(476.6)**	**1,910.0**

* Prior year presentation has been adjusted to comply with current year presentation.

25. Off-balance sheet assets and liabilities

An article 403 declaration

An article 403 (Dutch Civil Code) declaration is in place, consequently the Company has accepted liability for its 100% (in)direct subsidiaries except for:

- Ziggo Real Estate B.V.
- Vodafone Financial Services B.V.
- VZ FinCo B.V.
- LG Financing Partnership
- Ziggo Financing Partnership
- VZ Secured Financing B.V.

Fiscal unity

The Company together with most of its subsidiaries are a fiscal unity with respect to both corporate income tax and VAT. The standard conditions stipulate that each of the companies is liable for the tax payable by all companies belonging to the fiscal unity.

26. Number of employees

During the 2023 and 2022 financial years, the Company had two employees (two FTEs): being the Management Board members, both were employed in the Netherlands. The remuneration for both directors is recognised as expense in subsidiaries of the Company.

Board signatures

Utrecht, 2 April 2024

Management Board:
Jeroen Hoencamp (CEO)
Ritchy Drost (CFO)

Supervisory Board:
Serpil Timuray (Chair)
Manuel Kohnstamm (Vice Chair)
Charlie Bracken
Baptiest Coopmans
Sateesh Kamath
Carla Mahieu
John Otty
Huub Willems

Additional information

Other information

PROVISIONS IN THE ARTICLES OF ASSOCIATION GOVERNING THE APPROPRIATION OF PROFIT

Under article 27 of the Company's Articles of Association, the profit is at the disposal of the General Meeting, which can allocate said profit either wholly or partly to the formation of – or addition to – one or more general or special reserve funds. The General Meeting also has the authority to make distributions from unappropriated profits and any reserves, both on the occasion of the adoption of annual accounts and interim distributions.

For information pertaining to our branch offices please see section *About VodafoneZiggo* in this report.

Independent auditor's report

To: the General Meeting and the Supervisory Board of VodafoneZiggo Group Holding B.V.

Report on the audit of the accompanying financial statements

Our opinion

We have audited the financial statements 2023 of VodafoneZiggo Group Holding B.V. (the 'Company'), based in Amsterdam. The financial statements include the consolidated financial statements and the Company financial statements.
In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of VodafoneZiggo Group Holding B.V. as at 31 December 2023 and of its result and its cash flows for the year 2023 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying Company financial statements give a true and fair view of the financial position of VodafoneZiggo Group Holding B.V. as at 31 December 2023 and of its result for the year 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2023;
2. the following consolidated statements for the year 2023: the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows; and
3. the notes comprising a summary of the significant accounting policies and other explanatory information.

The Company financial statements comprise:

1. the Company statement of financial position as at 31 December 2023;
2. the Company statement of profit or loss for the year 2023; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of VodafoneZiggo Group Holding B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of fraud and non-compliance with laws and regulations and going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Audit response to the risk of fraud and non-compliance with laws and regulations
In the "Risk Management" section of the Management Board report, the Management Board describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations and the Supervisory Board reflects on this.

As part of our audit, we have gained insights into the Company and its business environment, and assessed the design and implementation of the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's code of conduct, whistle-blowing procedures, and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with management, those charged with governance and other relevant functions, such as Internal Audit & Financial Risk Management and External & Legal Affairs.
As part of our audit procedures, we:
- obtained an understanding of how the Company uses information technology (IT) and the impact of IT on the financial statements, including the potential for cybersecurity incidents to have a material impact on the financial statements;
- evaluated investigation reports on indications of possible fraud and non-compliance;
- evaluated correspondence with supervisory authorities and regulators as well as legal confirmation letters.

In addition, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable to the Company and identified the following areas as those most likely to have a material effect on the financial statements:
- Media and telecommunications laws and regulations (reflecting the market regulation of the industry);
- Data privacy laws and regulations (reflecting data security and privacy for customers and employees).

We evaluated the fraud and non-compliance risk factors to consider whether those factors indicate a risk of material misstatement in the financial statements.

Further, we assessed the presumed fraud risk on revenue recognition as irrelevant, as the revenue recognition process is non-complex, routine, contains no significant estimation uncertainty and has a high level of automation. Furthermore, because the revenue is primarily based on a large population of customers with individual small contractual values, a large number of customer contracts must be falsified in order to have a material impact. Collusion between multiple departments would need to occur to successfully increase customer numbers and revenues for non-existing customers. The risk for this to occur has been deemed remote. However, as discussed further below, management override of controls has been identified as a risk of fraud, particularly as it relates to Adjusted EBITDA AL manipulation which therefore includes manual adjustments to revenues. Specific procedures to address manipulations to Adjusted EBITDA AL, including revenue, have been performed as addressed in "management override of controls" section below.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, and responded as follows:

Management override of controls (a presumed risk)
Risk:
- Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:

- We evaluated the design and the implementation of internal controls that mitigate fraud risks, such as processes related to journal entries.
- We performed a data analysis of potential high-risk journal entries related to procedures to identify manipulations to Adjusted EBITDA AL, including revenue, and journal entries recorded by senior management and evaluated key estimates and judgements for bias by the Company's management, including retrospective reviews of prior years' key estimates. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.
- We incorporated elements of unpredictability in our audit including performing specific risk assessment procedures over costs related to development of a new IT platform and the related migration of data.

External Software Cost capitalisation (risk of fraud)

Risk:

- We have identified a risk of fraud relating to external costs associated with capitalisation of development of internal-use software due to potential pressure on management to meet Adjusted EBITDA AL targets. External costs include materials, external labor and overhead and may be fraudulently capitalised as development of internal-use software, while they do not constitute valid capitalisable activities based on accounting standards.

Responses:

- We assessed the appropriateness of the Company's capitalisation accounting policies relating to cost capitalisation and assess compliance with the accounting policies in terms of EU-IFRS.
- We evaluated the design and implementation of internal controls in the capital expenditures process that would identify a misstatement in the capitalisation of expenses.
- We performed inquiries with personnel in the capital expenditures process to identify instances of override of controls and instances of capitalisation without adequate support.
- Performed substantive test of details over in scope fixed asset additions utilising an appropriate sampling methodology. The underlying items selected were vouched to underlying documentation. Where necessary further clarification was warranted through inquiry of project managers or technicians to obtain an understanding regarding the capitalisation projects and whether the costs within the project were eligible for capitalisation.
- We incorporated elements of unpredictability in our audit including performing specific risk assessment procedures over costs related to development of a new IT platform.
- We communicated our risk assessment, audit responses and results to the Management Board and the Audit, Risk and Compliance Committee of the Supervisory Board.
- Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

The Management Board has performed its going concern assessment and has not identified any going concern risks. To assess the Management Board's assessment, we have performed, inter alia, the following procedures:

- we considered whether the Management Board's assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we analysed the Company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks;
- we analysed the operating results forecast and the related cash flows compared to the previous financial year, developments in the business sectors and any information of which we are aware as a result of our audit;
- we inspected financing agreements in terms of conditions that could lead to significant going concern risks, including the terms of the agreements and any covenants; and
- we analysed whether the headroom of the ratios included in the financing agreements is sufficient or if it gives rise to the risk of any of the covenants in the financing agreement being breached.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

Report on the other information included in the Integrated Annual Report

In addition to the financial statements and our auditor's report thereon, the Integrated Annual Report contains other information.

Based on the following procedures performed, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code regarding the Management Board report and the other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Management Board is responsible for the preparation of the other information, including the Management Board report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the Management Board and the Supervisory Board for the financial statements
The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Management Board is responsible for such internal control as the Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Management Board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Management Board should prepare the financial statements using the going concern basis of accounting unless the Management Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management Board should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements
Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.
The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board;
- concluding on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amstelveen, 2 April 2024

KPMG Accountants N.V.

P.G.W. Takken RA

Limited assurance report of the independent auditor on the sustainability information

To: the General Meeting and the Supervisory Board of VodafoneZiggo Group Holding B.V.

OUR CONCLUSION

We have performed a limited assurance engagement on the selected non-financial indicators for the year ended 31 December 2023 in the Integrated Annual Report of VodafoneZiggo Group Holding B.V. (the Company).

Based on the procedures performed nothing has come to our attention that causes us to believe that the selected non-financial indicators are not prepared, in all material respects, in accordance with the reporting criteria as described in the section 'Reporting criteria'.

The non-financial indicators in scope are the following:

- Availability of fixed network (%)
- Availability of mobile network (%)
- Brand NPS Ziggo Consumer
- Brand NPS Vodafone Consumer
- Brand NPS Ziggo Business
- Brand NPS Vodafone Business
- Brand NPS hollandsnieuwe
- Number of data breaches that the Company reported to the Dutch DPA (#)
- CO_2 emissions Scope 1 and 2 (in kTon)
- CO_2 emissions Scope 3 (in kTon)
- CO_2 emissions Scope 1, 2 and 3 (in kTon)
- Women in top management (%)
- Women at VodafoneZiggo (%)

The selected non-financial indicators that fall within the scope of limited assurance are marked with an orange tickmark symbol, disclosed throughout the Integrated Annual Report.

BASIS FOR OUR CONCLUSION

We performed our limited assurance engagement on the selected non-financial indicators in accordance with Dutch law, including Dutch Standard 3000A 'Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)' (assurance engagements other than audits or reviews of historical financial information (attestation engagements). Our responsibilities under this standard are further described in the section 'Our responsibilities for the assurance engagement on the selected non-financial indicators' section of our report.

We are independent of VodafoneZiggo Group Holding B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

REPORTING CRITERIA

The selected non-financial indicators need to be read and understood together with the reporting criteria. VodafoneZiggo Group Holding B.V. is solely responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting.

The reporting criteria used for the preparation of the selected non-financial indicators are individually listed in the 'Glossary' section in the 'Additional information' chapter of the Integrated Annual Report.

The absence of an established practice on which to draw, to evaluate and measure the non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities over time. Consequently, the non-financial information needs to be read and understood together with the reporting criteria used.

MATERIALITY

Based on our professional judgement we determined materiality levels for each non-financial indicator. When evaluating our materiality levels, we have taken into account quantitative and qualitative aspects as well as the relevance of information for both stakeholders and the Company.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The Management Board is responsible for the preparation and the selection of the non-financial indicators in accordance with the reporting criteria as included in the section 'Reporting criteria' of our Report, including the identification of stakeholders and the definition of material matters. The Management Board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable for the legitimate information needs of stakeholders, considering applicable law and regulations related to reporting. The choices made by the Management Board regarding the scope of the selected non-financial indicators and the reporting criteria are summarized in the 'Reporting criteria' and 'Glossary' chapters of the Additional information of the Annual Report.

Furthermore, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation of the selected non-financial indicators that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the reporting process of VodafoneZiggo Group Holding B.V.

OUR RESPONSIBILITIES FOR THE ASSURANCE ENGAGEMENT ON THE SELECTED NON-FINANCIAL INDICATORS

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of the selected non-financial indicators. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

We apply the 'Nadere Voorschriften Kwaliteitssystemen' (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our assurance engagement included among others:

- performing an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, and the characteristics of the Company;
- evaluating the appropriateness of the criteria applied, their consistent application and related disclosures of the selected non-financial indicators;

- obtaining through inquiries a general understanding of the internal control environment, the reporting processes, the information systems and the Company's risk assessment process relevant to the preparation of the selected non-financial indicators, without testing the operating effectiveness of controls;
- obtaining an understanding of the procedures performed by the Internal Audit & Financial Risk Management and the external subject matter experts of VodafoneZiggo Group Holding B.V.;
- identifying areas of the selected non-financial indicators where a material misstatement, whether due to fraud or error, is likely to arise. Designing and performing further assurance procedures responsive to these areas, and obtaining assurance information that is sufficient and appropriate to provide a basis for our conclusion. These procedures consisted amongst others of:
  - obtaining inquiries from management and relevant staff at corporate level responsible for the sustainability strategy, policy and results;
  - obtaining inquiries from relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data for the selected non-financial indicators;
  - obtaining assurance evidence that the sustainability information reconciles with underlying records of the Company;
  - reviewing, on a limited test basis, relevant internal and external documentation;
  - considering the data and trends.
- reading the information in the annual report which is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the selected non-financial indicators;
- considering whether the sustainability information as a whole, including the selected non-financial indicators and disclosures, is clearly and adequately disclosed in accordance with applicable criteria;
- we communicate with the Management Board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Amstelveen, 2 April 2024

KPMG Accountants N.V.

P.G.W. Takken RA

Alternative performance measures

In this report, we present financial alternative performance measures (non-GAAP measures) that are not directly derived from the financial statements. Management believes that financial alternative performance measures (non-GAAP measures) allow for a better understanding of VodafoneZiggo's operating and financial performance measures. These financial alternative performance measures should be considered in addition to, but not as substitutes for, the most directly comparable IFRS measures.

Management and our Supervisory Board evaluate the financial performance of VodafoneZiggo in accordance with US GAAP. In this report, we evaluated our financial performance based on Adjusted EBITDA AL (measured based on EU-IFRS), which presents the closest proxy to our US GAAP Adjusted EBITDA performance measure. Adjusted EBITDA (an alternative performance measure that we internally measure based on US GAAP) is the primary measure used by our management to evaluate the operating performance of our business. Adjusted EBITDA (an alternative performance measure that we internally measure based on US GAAP) is also a key factor that is used by our management and our Supervisory Board to evaluate the effectiveness of management for purposes of annual and other incentive compensation plans.

ADJUSTED EBITDA AL (ADJUSTED EBITDA AFTER LEASES)

As we use the term Adjusted EBITDA AL in this report, it is defined as operating profit before depreciation of property & equipment and amortisation of intangible assets, provision and provisions releases related to significant litigation and impairment, restructuring and other operating items, net and share-based compensation and after lease expenses. Other operating items include (i) gains and losses on the disposition of non-current assets, (ii) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Lease-related expenses include depreciation and impairment expenses of right-of-use assets and interest on lease liabilities, as well as gains or losses arising upon remeasurement or termination of a lease. Our management believes Adjusted EBITDA AL is a meaningful measure because it represents a transparent view of our recurring operating performance that is unaffected by our capital structure and allows management to (a) readily view operating trends, (b) perform analytical comparisons and benchmarking between entities and (c) identify strategies to improve operating performance. We believe our Adjusted EBITDA AL measure is useful to investors because it is one of the bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other companies.

In € millions	2023	2022
Operating profit	**238.2**	**378.8**
Depreciation property and equipment	798.8	767.7
Amortisation	738.7	747.5
Impairment, restructuring and other operating items, net	41.4	12.5
Minus: Interest expense - lease liabilities	(14.4)	(12.3)
Adjusted EBITDA AL	**1,802.7**	**1,894.2**

CAPEX-TO-REVENUE RATIO

Capex-to-revenue ratio is defined as the capital additions (Capex) as percentage of our revenue. We define Capex as investments in property and equipment and software.

In € millions	2023	2022
Property and equipment investments	752.1	810.9
Software investments	145.6	137.3
Capex	**897.7**	**948.2**
Revenue	4,114.7	4,065.6
Capex-to-revenue ratio	**21.8%**	**23.3%**

OPERATIONAL FREE CASH FLOW

Operational free cash flow is defined as Adjusted EBITDA AL minus Capex:

In € millions	2023	2022
Adjusted EBITDA AL	**1,802.7**	**1,894.2**
Capex	(897.7)	(948.2)
Operational Free Cash Flow	**905.0**	**946.0**

SHAREHOLDER CASH DISTRIBUTIONS

Shareholder cash distributions includes equity distributions to our shareholders and principal and interest payments on our Shareholder Notes. Our shareholder cash distributions exclude related party framework agreement charges as described in note 21 to our consolidated financial statements.

In € millions	2023	2022
Equity distributions to shareholders	200.0	500.0
Interest expense on debt - related parties	102.2	102.2
Shareholder cash distributions	**302.2**	**602.2**

COVENANT LEVERAGE RATIO

Our covenant leverage ratio is, in line with our debt agreements, calculated in accordance with US GAAP. As our Integrated Annual Report is prepared in accordance with EU-IFRS, no reconciliation is included in this report for our covenant leverage ratio and our total covenant amount of third-party gross debt.

About this report - Reporting standards

SCOPE

This Integrated Annual Report was published on 3 April 2024.

The scope of the information in this report covers VodafoneZiggo Group Holding B.V. and its subsidiaries (VodafoneZiggo). The scope is the same as the previous year's report, unless stated otherwise. Unless the context indicates otherwise, the terms 'we', 'our', 'our company' and 'us' refer to VodafoneZiggo. Subsidiaries are included from the date on which control commences until the date on which control ceases. For the list of subsidiaries, please see *note 23* to the financial statements.

The entities that VodafoneZiggo reports on financially are the same as those we report on non-financially. In this Integrated Annual Report, we only account for VodafoneZiggo's own activities and achievements and not those of any of our partners.

The reporting frequency of this Integrated Annual Report, combining our financial and non-financial reporting, is annual. The current reporting period covers 1 January 2023 to 31 December 2023.

REPORTING CRITERIA

The purpose of this report is to provide insight to our stakeholders about VodafoneZiggo's role in society: what were our most important developments, achievements and themes in 2023? The most up-to-date information can be found on our website: *www.vodafoneziggo.nl*

VodafoneZiggo's stakeholders are defined as people and organisations that are or could be affected by our operations or with whom we maintain a relationship, such as customers, employees, government and regulators, industry, investor community, suppliers and society. The *stakeholder table* in the appendix provides more information on stakeholder interaction and the topics and issues identified in 2023 as being relevant for specific stakeholder groups.

In preparing this Integrated Annual Report, we have taken the principles of the International Integrated Reporting Council (IIRC) into account. We also conducted a double materiality assessment considering both impact and financial materiality. Impact materiality is aligned with the Global Reporting Initiative's (GRI) definition of materiality, which considers a company's outward impact on people and the environment. Where possible, we have taken the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) into account and have already considered the Corporate Sustainability Reporting Directive (CSRD), which is expected to become effective for VodafoneZiggo as of 2025. In subsequent years, we will continue our journey towards full CSRD compliance.

The reporting criteria for our achievements relating to environmental impact follow internally applied criteria, based on the Greenhouse Gas Protocol.

Financial results set out in this report have been collected using our financial data management system. The remaining quantitative data has been collected using a standardised template that was completed with data from information management systems, internal calculations, internal measurements by the responsible business units or third-party measurements. In the case of mandatory measurement methodologies or of applied estimates, we have disclosed the respective methodology or estimate in the accompanying text. The same applies to any changes in definitions or measurement methodology compared to previous reports.

The content of this report is based on the topics that are considered material for our stakeholders. The list of these material topics and the process for defining them are described in *Stakeholder interaction and materiality*.

EXTERNAL ASSURANCE

VodafoneZiggo engaged KPMG Accountants N.V. as an independent auditor to provide limited assurance on certain non-financial indicators. These non-financial indicators are presented in accordance with VodafoneZiggo's internally developed reporting criteria that are individually listed in the *Glossary* section in the *Additional information* chapter of the Integrated Annual Report.

Social partners

OUR PARTNERSHIPS FOR DIGITAL INCLUSION	OUR PARTNERSHIPS FOR DIVERSITY, EQUITY AND INCLUSION	OUR PARTNERSHIPS FOR SUSTAINABILITY
Accessibility.nl	Complementair	Closing the Loop
Alliantie Digitaal Samenleven / Number Five Foundation	De Normaalste Zaak	Coalitie Anders Reizen
Antoni van Leeuwenhoek Foundation	Diversiteit in Bedrijf	Double purpose NL
ASML	EnergieQ	Duurzaamheid.nl
Bartiméus	Hersenstichting	Fairphone
Co-Teach	HOI Foundation	Green Business Club Utrecht
ECP | Platform voor de informatiesamenleving	Limped Blue	MVO Nederland
JINC	Onbeperkt aan de Slag	NLdigital – Milieubeleidsgroep
Nationaal Ouderenfonds	Onbeperkte Denkers	Science Based Targets-initiative
Nederlands Instituut voor Beeld en Geluid	Paarse Vrijdag	Sustainalize
Netwerk Mediawijsheid	Pride Business Club - Pride Amsterdam	WNF
NL Digital	Pride Groningen	
Samsung	Pride Utrecht	
Sterk Techniek Onderwijs	Talent naar de Top	
STO Utrecht	The WICT Network	
VHTO		

CO_2 footprint

Scope	Category	2023	2022	2018 (base year)	Reduction 2023 vs. 2018 (base year)
		Emissions (kg of CO_2)			
1	Business travel (fuel)	4,912,308	6,210,192	9,797,002	
1	Gas and fuel buildings and infrastructure	1,222,363	1,671,116	2,692,099	
1	Coolants	276,161	40,404	46,000	
Total Scope 1		**6,410,832**	**7,921,712**	**12,535,101**	
2	Heat (district heating)	227,239	221,618	273,660	
2	Business travel (electricity)[1]	–	444,315	–	
2	Electricity network, buildings and infrastructure[1]	–	–	–	
Total Scope 2 (Market-based)[2]		**227,239**	**665,933**	**273,660**	
Total Scope 1 and 2		**6,638,071** ✓	**8,587,645**	**12,808,760**	**-48%**
Compensated through Gold standard certificates		*100%*	*100%*	*100%*	
3.1	Purchased goods and services	42,636,695	49,574,515	64,295,415	
3.4	Upstream transportation and distribution	1,053,358	1,622,095	3,901,207	
3.5	Waste generated in operations	512,353	532,068	169,847	
3.6	Business travel	311,797	208,801	394,517	
3.7	Employee commuting	1,777,307	1,650,553	11,598,885	
3.9	Downstream transportation and distribution	492,649	767,699	1,156,330	
3.11	Use of sold products	4,935,132	6,196,567	5,524,038	
3.12	End-of-life treatment of sold products	260,129	355,973	n/a	
3.13	Downstream leased assets	256.633.843	320,064,391	458,348,800	
Total Scope 3		**308,613,263** ✓	**380,972,661**	**545,389,039**	**-43%**
Total Scope 1, 2 and 3		**315,251,334** ✓	**389,560,306**	**558,197,799**	**-44%**

[1] Since 2016, we procure renewable Guarantees of Origin for 100% of the electricity used by our network, buildings, infrastructure and, since 2023, by our electric vehicles.
[2] We report our Scope 2 emission market-based, see definition in *Glossary*.
[3] The indicators that fall within scope of limited assurance of our external auditor are marked with the ✓ symbol.

VodafoneZiggo calculates and issues annually the CO_2 emissions generated in its own operations (Scope 1 and 2) and across its value chain (Scope 3). The calculation methodology was developed in June 2022 and based on the Green House Gas protocol and complementary guidance. Founded on internal knowledge and data availability, we adopted a pragmatic and operational control approach prioritizing product-specific and activity-based calculation methodologies for VodafoneZiggo's main activities, namely providing fixed and mobile connectivity, entertainment services and business services to B2C and SoHo customers.

We are continuously improving our reporting of Scope 3 emissions. Due to availability of data, some activities such as servicing our B2B segment and a complete analysis of our capital goods (cat 3.2) are currently excluded. In the below table we provide insight in the calculation methodologies and coverage for the different categories included in Scope 3 emissions. In 2024, VodafoneZiggo will work with external sustainability and carbon accounting experts on further improving the data quality of reported Scope 3 emissions and on expanding the scope of our value chain CO_2 emission report to align with the latest SBTi criteria.

Methodology used:

Scope	Category	Calculation Methodology	Coverage
Scope 3.1	Purchased goods and services	Hybrid method: supplier-specific method and average-data method	B2C & SoHo Fixed connectivity and video products, Mobile terminals & watches, external customer support[1]
Scope 3.2	Capital goods	Excluded	
Scope 3.3	Fuel- and energy-related activities not included in Scope 1 and 2	Excluded	
Scope 3.4	Upstream transportation and distribution	Hybrid method: supplier-specific method and average-data method	B2C & SoHo Fixed connectivity and video products, Mobile terminals & watches
Scope 3.5	Waste generated in operations	supplier-specific method	Workplace
Scope 3.6	Business travel	supplier-specific method	International plane, train travels and shared cars rental
Scope 3.7	Employee commuting	Hybrid method: supplier-specific method and average-data method	100% own employees
Scope 3.8	Upstream leased assets	Excluded	
Scope 3.9	Downstream transportation and distribution	supplier-specific method	B2C & SoHo Fixed connectivity and video products, Mobile terminals & watches
Scope 3.10	Processing of sold products	N/A	
Scope 3.11	Use of sold products	supplier-specific method	Mobile terminals & watches
Scope 3.12	End-of-life treatment of sold products	supplier-specific method	Mobile terminals & watches
Scope 3.13	Downstream leased assets	supplier-specific method	B2C & SoHo fixed connectivity and video products
Scope 3.14	Franchises	N/A	
Scope 3.15	Investments	Excluded	

[1] No full emission profile analysis was included for all purchased goods and services

Stakeholder table

Stakeholder group	How we enter into discussion	Topics and issues 2023	Our response	Link to material topic
Customers	1. Reputational research (on a quarterly basis); 2. NPS measurements (monthly); 3. Workshops with customers to gain an effective understanding of the needs, wishes and experiences of the customer (ongoing); 4. Vodafone & Ziggo Community (ongoing); 5. Home of Customer: an in-house location where we interview customers & prospects on wide scope of subjects on usage of products, installation etc. (ongoing); 6. Proactive service: we check with various customers groups whether we can improve their products/service performance (or connectivity) (ongoing).	1. Improved customer experience and customer loyalty; 2. Improved customer journeys; 3. Connectivity: constantly connected anytime and anywhere with our fixed and mobile network; 4. Improved WiFi coverage; 5. Content; 6. Improved viewing experience.	1. Investment in digital infrastructure; 2. Further roll-out of our network (5G on mobile and DOCSIS 3.1 in our fixed network); 3. Internet of Things solutions; 4. Innovative and sustainable products and services Mediabox Next and Next Mini, SmartWifi pods for optimisation of the WiFi network; 5. Best business solutions.	1. Data security and privacy; 2. Customer experience; 3. Innovative products and services; 4. Reliable and future-proof network; 5. Digital inclusion.
Employees	1. Heartbeat survey (four times a year); 2. All Hands sessions (on a quarterly basis); 3. Joint participation in voluntary activities (ongoing); 4. Onboarding of new colleagues (monthly); 5. Works Council (ongoing); 6. Monthly CEO update on Intranet.	1. Home-based working and hybrid working; 2. Health and wellbeing of employees; 3. Digital transformation; 4. A safe working environment for all employees; 5. Leadership based on our leadership profile; 6. Maximising internal mobility with continuous support for personal development; 7. Focus on future skills and capabilities, rationalisation and standardisation; 8. A future-proof organisational structure with scope for diversity, equity and inclusion.	1. Further develop a hybrid working culture; 2. Create a safe and digital working environment, with a focus on the psychological and mental well-being of our employees; 3. Continually invest and develop our employees by means of an extensive digital learning platform; 4. Active diversity, equity and inclusion policy; 5. Culture crew: with this crew we develop a variety of activities to perpetuate or further enhance the cohesion within the organisation.	1. Diversity, equity and inclusion; 2. Employer of choice.
Government	1. Regular consultation with the Management Board and all other levels within the organisation on a variety of topics (ongoing); 2. Contact with relevant parties and organisations at various times, both within and outside the legislative process, about matters that affect VodafoneZiggo (whenever relevant); 3. Contribute by actively participating in consultations in various areas (occasionally); 4. Organising working sessions and information sessions with professional stakeholders to engage in dialogue on material topics of importance (occasionally); 5. Contributing to roundtable discussions and expert sessions (occasionally).	1. Digital inclusion; 2. Security and integrity of our networks; 3. Green and digital transitions; 4. Preventing non-compliance; 5. Cybersecurity; 6. Roll-out of fixed and mobile networks; 7. Media-related issues.	1. We are continuing to provide our input with regard to risks policy proposals and are continuing our efforts to remain compliant with the latest legislation and regulations; 2. Where possible, we will continue to share our constructive insights with stakeholders within government; 3. We interact closely with various regulators with regard to compliance, incidents and potentially different views on interpretation of the law; 4. We engage with local governments on the best way to roll out our networks.	1. Climate change; 2. Data security and privacy; 3. Innovative products and services; 4. Digital inclusion; 5. Circular economy.

Stakeholder group	How we enter into discussion	Topics and issues 2023	Our response	Link to material topic
Industry	1. Regular contact via sector organisations (for example NLdigital, VNO-NCW, Monet) (ongoing); 2. Participation in platform discussions (occasionally).	1. Interoperability; 2. Digital inclusion; 3. Digital well-being.	1. We are continuing to collaborate constructively with the sectoral and trade organisations to coordinate issues associated with interoperability, etc.; 2. Where necessary, we will pull together as a telecommunications sector with regard to policy changes affecting the telecommunications sector; 3. We work closely with the various regulators in the area of compliance, incidents and potentially differing conceptions about the interpretation of the law; 4. We collaborate with local government to identify the best way in which to roll out our networks in their territory.	1. Climate change; 2. Data security and privacy; 3. Innovative products and services; 4. Digital inclusion.
Society	1. We strive to build (varying, sometimes temporary) alliances to put problems on the agenda, solve them and/or to influence policy. Examples of this include the Alliantie Digitaal Samenleven (Digital Society Alliance), which sets out to enable people to participate in the (digital) society (occasionally); 2. We organise events in collaboration with external partners in the Green innovation hub (occasionally); 3. Partner of a wide range of social organisations (e.g. Netwerk Mediawijsheid (Media Literacy Network), ECP, WNF, Beeld & Geluid, Accessibility.nl, Bartiméus, JINC and VHTO) (ongoing).	1. Digital inclusion; 2. Green and digital transitions; 3. Sustainable and ethical supply chain.	1. By means of our Progress for Everyone strategic pillar, we are focusing on improving society in areas such as digital inclusion, digital wellbeing and CO_2 reduction; 2. We laid down our supplier requirements in our Code of Sustainable and Ethical Purchasing; 3. Include 'Progress for Everyone' as one of our strategic pillars.	1. Climate change; 2. Data security and privacy; 3. Innovative products and services; 4. Sustainable and ethical supply chain.
Investors community	1. We collaborate on different levels (from the Management Board to operational management) with our parent companies and (foreign) colleagues (ongoing); 2. Publication of financial results and informing parties such as the media and analysts about them (quarterly); 3. Attending conferences several times a year, where analysts can speak with our senior management (2 to 3 times a year); 4. Responding to questions from analysts/the media about VodafoneZiggo (ongoing); 5. We provide opportunity to the investor and financial market community to meet our management team (two to three times a year).	1. Broadband base decline; 2. Fibre roll-out pressure of competitors; 3. Network roadmap; 4. Capital structure (leverage); 5. Macroeconomics (inflation, interest rates & geo-politics).	1. Clarifying our strategy, network and financial expectations to the outside world; 2. Continue to integrate environmental ambitions into our financing strategy; 3. Actions in place to mitigate impact from inflation and competitive pressure.	1. Reliable and future-proof network; 2. Climate change; 3. Customer experience; 4. Innovative products and services.
Suppliers	1. Performance promo planning calls (fortnightly); 2. Evaluation meetings (on a quarterly basis); 3. Board meetings (ongoing).	1. Demand and supply challenges as a result of several war conflicts in the world; 2. Inflation in general and its effects on our mutual business; 3. Working on the sustainable improvement of our entire organisation, operation and value chain; 4. Stepping up with regards to cybersecurity; 5. GenAI, the opportunities for and threats to society and our way of working.	1. In close alignment with our suppliers supply challenges have been mitigated; 2. Together with our suppliers, we are implementing sustainable solutions that result in cost reductions, along with reductions in energy and material usage; 3. Partnership with EcoVadis to carry out supplier assessments. This is an evaluation of how well companies have incorporated the principles of CSR within its operations and management system; 4. Ongoing dialogue to keep the business and our customers secure; 5. Exchanging best practices, apply and continue learning on the GenAI journey.	1. Climate change; 2. Data security and privacy; 3. Sustainable and ethical supply chain; 4. Circular economy.

Glossary

2G
2G (GSM, global system for mobile communications) is the second generation of mobile phone technology, introduced in the early 1990s. It uses digital signals, allowing for more efficient use of the radio spectrum and increased capacity. It introduced features such as text messaging and basic internet connectivity but is mainly designed for voice communications.

3G
3G stands for the third generation of mobile telephony standards and is a collective name for all communication techniques and devices based on the UMTS standard (Universal Mobile Telecommunications System).

4G
4G (Fourth Generation) is the fourth wave of mobile phone technology, introduced in the late 2000s. The technique behind 4G, also called LTE (Long-Term Evolution), offers significantly faster data transfer speeds and more stable connections compared to earlier generations, making it ideal for high-bandwidth applications video streaming and online gaming.

5G
5G is the fifth generation of mobile networks, exceeding 4G speeds, with lower latency, dedicated Quality of Service for Mission Critical applications, and higher data transfer speeds. It supports a wide range of devices and services, including IoT and autonomous vehicles. One of its key features is its ability to operate on multiple frequencies, enabling it to deliver at faster speeds and greater capacity.

A

ACM (AUTHORITY FOR CONSUMERS & MARKETS)
The ACM acts as a regulator in the Netherlands and is responsible for monitoring rules on fair competition between businesses and protects customers' rights.

ACTIVE ZIGGO GO USERS
Active Ziggo Go users is a metric that measures, as a percentage, the proportion of Video households that are actively using Ziggo GO within the specified month.

ADJUSTED EBITDA AL (ADJUSTED EBITDA AFTER LEASES)
Operating profit before depreciation of property and equipment and amortisation of intangible assets, provision and provision releases related to significant litigation and impairment, restructuring and other operating items, net share-based compensation and after lease expenses. Other operating items include (i) gains and losses on the disposition of non-current assets, (ii) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration.

Lease expenses include depreciation and impairment expenses of right-of-use assets and interest on lease liabilities, as well as gains or losses arising upon remeasurement or termination of a lease.

ALLIANTIE DIGITAAL SAMENLEVEN (DIGITAL SOCIETY ALLIANCE)
VodafoneZiggo is a member of the Digital Society Alliance which was founded by the Ministry of the Interior and Kingdom Relations, Number 5 Foundation and VodafoneZiggo. By working together, we can achieve a digitally inclusive society.

ARPU
Average Revenue Per Unit ('ARPU') refers to the average monthly subscription revenue, for either fixed or mobile services, respectively, per average fixed customer relationship or mobile subscriber, as applicable.

AVAILABILITY OF FIXED NETWORK (%)
The availability of our fixed network is our available time (total service delivery time excluding the total 'outage' time) divided by the total service delivery time, based on our total customer base. The total outage time is calculated based on incident tickets raised in our incident tracking system, where an 'incident' refers to an unplanned event causing a service interruption for the customer.

AVAILABILITY OF MOBILE NETWORK (%)
The availability of our mobile network is a percentage of the access network availability of the live sites (referring to availability of 2G/4G/5G antennas), indicated as the amount of uptime (time when the network is fully operational) in the access network over a specific time interval. Network availability refers only to the uptime of the antennas and not to service availability.

B

B2B
Business-to-business, a term used to describe commercial transactions between VodafoneZiggo and its business customers, including SoHo (small office home office), small, medium and large enterprises.

B2C
Business-to-consumer, a term used to describe commercial transactions between VodafoneZiggo and a residential consumer.

BIPOC-OWNED BUSINESSES
BIPOC stands for Black and People of Colour, thereby recognising the systemic injustices certain racial groups have and continue to experience. BIPOC companies produce exemplary goods well worthy of your support, there are also many other social and cultural reasons why they should be championed.

BROADBAND
Broadband is a high-capacity transmission technique using a wide range of frequencies, which enables data to be communicated simultaneously.

C

CAPEX
Capex expenditure (Capex) refers to our investments in property and equipment and software.

CAPEX-TO-REVENUE RATIO
Capex calculated as a percentage of our revenue.

CARBON FOOTPRINT (CO_2 EMISSIONS)
Total amount of greenhouse gases produced to directly and indirectly support human activities, usually expressed in equivalent tons of carbon dioxide (CO_2). We report on our carbon footprint (also referred to as 'CO_2 footprint') based on SBTi standards, the GHG Protocol and the ISO 14064-1 standard. CO_2 (Carbon dioxide) is the most relevant Greenhouse Gas (GHG) for VodafoneZiggo.

CARBON FOOTPRINT REDUCTION COMPARED TO BASE YEAR 2018 (FOR SCOPE 1, 2 AND 3)
CO_2 emissions, Scope 1, 2 and 3 within reporting year compared to the total amount of CO_2 emissions in the base year of 2018. The goals have been set to halve our CO_2 emissions by 2025 versus base year 2018. This KPI represents the reduction in %, the goal is to achieve a 50% reduction by 2025 vs 2018.

CAREER4U
The platform that provides insight into possible internal career paths at VodafoneZiggo.

CIRCULAR ECONOMY
The circular economy is an economic framework focused on minimising waste and maximising resource efficiency. It aims to shift from the traditional linear model of 'take-make-dispose' to one that emphasises refuse, reuse, repair, and recycling.

CLIMATE-NEUTRAL NETWORK
For VodafoneZiggo, climate-neutral means operating our company by exclusively purchasing green electricity and compensate the emissions we still have in our own operations with Gold Standard certificates.

CONNECTED WORKING 2.0
The work balance between private and work, whereby the teams mutually agree on which days they will meet at the office.

CONVERGED HOUSEHOLDS OR CONVERGED SIMS
Converged households or converged SIMs represent customers in either our consumer or SoHo segment that subscribe to both a Ziggo fixed-line digital TV and/or internet service as well as a Vodafone and/or hollandsnieuwe postpaid mobile telephony service.

COVENANT AMOUNT OF TOTAL NET DEBT
Total Net Debt calculated in accordance with our debt agreement. Refers to the euro equivalent of the nominal amount outstanding of our third-party debt less (i) vendor financing, (ii) other debt, (iii) projected principal-related cash flows associated with our cross-currency derivative instruments, (iv) credit facility excluded amount and (v) certain cash and cash equivalents.

COVENANT EBITDA
EBITDA calculated in accordance with our debt agreements, used for calculating our Covenant leverage ratio.

COVENANT LEVERAGE RATIO
Total leverage ratio calculated in accordance with our debt agreements, calculated as total net debt to last two quarters annualised Covenant EBITDA.

CSR (CORPORATE SOCIAL RESPONSIBILITY)
CSR, to VodafoneZiggo, is ensuring that environmental, social, and ethical values are embedded in the core of our organisation and are always taken into account for business planning and strategy. Ultimately, we aim to implement sustainable practices in the day-to-day business activities of the organisation to maximise positive impact for society and mitigate any negative impact on the environment.

CSRD
The Corporate Sustainability Reporting Directive (CSRD) will replace the existing reporting requirements of the EU's Non-Financial Reporting Directive (NFRD) and will substantially increase reporting requirements on the companies within its scope in its efforts to expand the sustainability information for users. The CSRD will be effective for VodafoneZiggo as of 1 January 2025.

CUSTOMER BASE
Customer base is the total number of subscribers of our products and services.

CUSTOMER JOURNEY
The path of interaction from a new or existing customer when they have contact with VodafoneZiggo and/or use our products or services, both for direct and indirect interactions.

CUSTOMERS WITH THE NEWEST GENERATION TV WATCHING EXPERIENCE
Customer with the newest generation TV watching experience is a metric that measures the number of customers using a Next Generation mediabox as their Primary Box (Next and Next Mini). Primary mediabox entails that we measure the customers with multiple newest generation boxes only once.

D

DATA BREACHES REPORTED TO THE DUTCH DPA
The number of data breaches, that are reported to the Dutch Data Protection Authority (DPA). According to the GDPR, personal data breach means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed. Companies have several obligations regarding the personal data breach handling, such as the requirements to document data breaches, assess risks to the rights and freedoms of the individuals affected by the data breaches, and notify the Dutch DPA where those risks are detected. In line with the GDPR obligations and its own Personal Data Breach Policy, VodafoneZiggo documents data breaches. Data breaches which meet the criteria for nature and size will be reported to the Dutch DPA. Our report is based on the unique internal VodafoneZiggo case numbers and only includes the Dutch DPA notifications which have not been revoked after a detailed investigation.

DDOS ATTACKS
DDoS (Distributed Denial of Service) attacks are cyberattacks that flood websites or networks with traffic from multiple sources, making them unavailable or limiting the availability to legitimate users.

DE&I
Diversity, equity and inclusion.

DOCSIS
Data Over Cable Service Interface Specification (DOCSIS) is an international telecommunications standard that permits the addition of high-bandwidth data transfer to an existing cable television (CATV) system.

DESI (DIGITAL ECONOMY AND SOCIETY INDEX)
DESI (Digital Economy and Society Index) is a composite index that evaluates and benchmarks the digital performance of EU countries based on five dimensions, including connectivity, human capital, use of internet services, integration of digital technology, and digital public services. The index is updated annually and provides an evidence-based perspective on the digital economy and society in the EU.

RDI (RIJKSINSPECTIE DIGITALE INFRASTRUCTUUR)
The Rijksinspectie Digitale Infrastructuur is part of the Ministry of Economic Affairs and Climate Policy. The key objective of the organisation is to ensure a trustworthy and available digital infrastructure, which keeps the Netherlands connected in a safe way.

E

EBITDA
Operating profit before depreciation and impairments of property and equipment and amortisation and impairments of intangible assets.

ECOVADIS
EcoVadis is an international agency that assesses and scores the sustainability performance of companies. We use it to evaluate and monitor the sustainability performance of our suppliers in view of making our supply chain more transparent, while also using it to evaluate our own sustainable performance.

EFFECTIVE TAX RATE
Income tax expense as percentage of earnings (loss) before tax.

EMPLOYEE ENGAGEMENT SCORE
Employee engagement score illustrates the extent to which people are engaged about their work. This is measured via the Heartbeat survey based on three engagement questions. With this anonymous engagement survey, teams within VodafoneZiggo gain insight into various employee engagement topics, such as job satisfaction, employee well-being and NPS, which is used as a starting point for an open conversation.

ENERGY EXPERT CREW
Working group gathering subject matter experts and decision makers from across the company, aiming at reducing our energy consumption while increasing our energy efficiency.

ESG (ENVIRONMENTAL, SOCIAL AND GOVERNANCE)
ESG stands for environmental, social, and governance which are the three focus area's to evaluate how a company is progressing with regard to sustainability.

EU-IFRS
International Financial Reporting Standards, as adopted by the European Union.

EXPERIENCE DAYS
During the Experience Days, we invite disadvantaged pupils from groups 7 and 8 of primary school and first and second year students from secondary education to the VodafoneZiggo offices throughout the year. The aim is to inspire children and introduce them to technologies of today and tomorrow.

F

FISCAL EBITDA
EBITDA calculated based on our fiscal results.

FIT FOR THE FUTURE
With our annual Fit for the Future survey, we gauge the state of the Dutch business community. We investigate, among other things, how open, prepared and flexible companies are, and how willing they are to embrace new technology.

FIXED HFC NETWORK
The fixed HFC (Hybrid Fiber-Coaxial) network of VodafoneZiggo combines fiber optic and coaxial cable infrastructure to deliver high-speed internet, television, and phone services to residential and commercial areas.

The majority of VodafoneZiggo's fixed HFC (roughly 97%) consists of fiber optic cables whereas the final part of the connection consists of coaxial cables that end up in the customers' home.

FIXED-LINE CUSTOMERS
Number of customers who receive at least one of our video, internet or telephony services that we count as revenue generating unit, without regard to which or how many services they subscribe. Fixed-line customer relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g. a primary home and a vacation home, that individual generally will count as two Fixed-line customers. We exclude mobile-only from our fixed-line customers count.

FMC
Fixed-Mobile Convergence is a concept in device and infrastructure technology that enables smooth connectivity between wired and wireless telecommunications networks.

FTE (FULL-TIME EQUIVALENT)
A measurement to express the number of employees with a full-time contract. Within VodafoneZiggo, FTEs are calculated compared to the standard number of contract hours per employee.

FTTH (FIBRE TO THE HOME)
With this access network architecture, the final part of the connection to the home also consists of optical fibre.

G

GBPS (GIGABITS PER SECOND)
A Gigabit is a unit denoting the speed of data transfer. It is the speed in billions of bits per second.

GO-GETTERS CONNECTED NETWORK
An internal network for improving accessibility in the workplace.

GRI (GLOBAL REPORTING INITIATIVE)
The Global Reporting Initiative is an organisation that publishes international standards for CSR reporting.

GROW
VodafoneZiggo performance management system that focuses on employee development.

GOO (GUARANTEE OF ORIGIN)
Guarantee of Origin is a digital certificate that proves the (renewable) origin of electricity in Europe.

H

HEARTBEAT SURVEY
With this anonymous engagement survey, teams within VodafoneZiggo gain insight into various employee engagement topics, such as job satisfaction, employee well-being and NPS, which is used as a starting point for an open conversation.

I

ICNIRP (INTERNATIONAL COMMISSION ON NON-IONISING RADIATION PROTECTION)
The International Commission on Non-Ionising Radiation Protection (ICNIRP) is an independent organisation that provides guidelines on the safe exposure to non-ionising radiation, such as radio waves and electromagnetic fields.

INTERCULTURAL CONNECTED NETWORK
An internal network in which colleagues with different backgrounds share their experiences.

IOT (INTERNET OF THINGS)
The Internet of Things connects objects with sensors, processing ability, software and other technologies that enables data exchange with other devices and systems over the internet (wired and wireless). For this connection, a SIM card is required.

IOT SUBSCRIBERS IN THE NETHERLANDS
The number of Vodafone IoT SIM cards in use in the Netherlands is the SIM base we report. Foreign IoT SIMs being temporary in the Netherlands and using our network, (generating revenue in the Netherlands) are not included in this number.

M

MAIN SUPPLIERS IN ECOVADIS
The number of main suppliers in Ecovadis represents the number of our suppliers, reaching a baseline in spend with VodafoneZiggo (main suppliers) that have a valid Ecovadis scorecard.

MARKET BASED METHOD
Scope 2 CO_2 emissions calculation based on specific electricity purchase contracts between VodafoneZiggo and energy providers. Under the market-based method, the CO_2 emission factor used by VodafoneZiggo for electricity is 0 due to the purchasing contracts of renewable Certificates of origin for 100% of our electricity used by our network, buildings, infrastructure and electric vehicles.

MBPS (MEGABITS PER SECOND)
Mbps is a unit that indicates the speed of data transfer in millions of bits per second.

MEDIABOX NEXT MINI
VodafoneZiggo newest set-top box providing the latest video content and services to our customers.

METASEARCH
A network that brings together the entertainment offerings of media parties in a single database, in which customers can easily search for that one film or TV series in the TV and streaming offerings.

MHZ (MEGAHERTZ)
MHz is one million hertz (a unit of frequency).

MOBILE CUSTOMERS
Our mobile customer count represents the number of active SIM cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (mobile broadband or secondary SIM) would be counted as two mobile customers. Our mobile customer count includes both prepaid and postpaid plans. Prepaid customers are excluded from our prepaid mobile telephony customer count after a period of inactivity of nine months.

N

NETWORK SLICING
Network slicing is a technology that creates multiple virtual networks within a single physical network. Each network slice is tailored to specific requirements such as bandwidth, latency, and security, and allows for customised services. It is an important part of 5G networks, enabling more efficient use of resources.

NET ZERO TARGETS
According to SBTi Net-Zero Standard and ICT guidance, net-zero targets consist in cutting down CO_2 emissions by minimum 95% in Scope 1 and 2 and by minimum 90% in Scope 3 compared to a baseline year. Any residual emissions (maximum 5% for Scope 1 and 2 and maximum 10% for Scope 3) must be neutralised through technological or nature-based carbon removal methods. This definition applies for the whole report when net-zero ambition, commitment and targets are mentioned.

NIST CYBERSECURITY FRAMEWORK
The NIST Cybersecurity Framework is a set of guidelines developed by the US National Institute of Standards and Technology (NIST) to help organisations manage and reduce their cybersecurity risk. The framework provides a set of guidelines and best practices for organisations to use when developing their own cybersecurity programs.

NO-FRILLS-SEGMENT
Affordable subscriptions with basic services.

NPS (NET PROMOTER SCORE)
NPS is a metric for measuring customer enthusiasm and predicting customer loyalty, based on whether customers would recommend Vodafone (both Consumer and Business'), Ziggo (both Consumer and Business') and hollandsnieuwe to others. The result is an absolute number within a range from -100 to +100. Vodafone and Ziggo NPS scores are measured by an experienced independent market research company. All Consumer (and hollandsnieuwe) NPS results reported here refer to the final quarter of the respective year, while Business NPS is the average of the last two quarters of the year.

O

ONA DASHBOARD
At a team level – which cannot be traced back to individuals – this provides insight into work and collaboration patterns with data collected from, among other things, the Heartbeat survey.

ONLINE MASTERS
With this free educational program for schools, children are made aware of the opportunities and challenges of the digital world and learn about online bullying, fake news and programming, among other things.

OPERATIONAL FREE CASH FLOW
Operational free cash flow is defined as Adjusted EBITDA AL minus Capex.

OTT
An over-the-top (OTT) media service (also known as a streaming platform) is a media service offered directly to viewers via the Internet. OTT bypasses cable, broadcast, and satellite television platforms.

P

PEOPLE EMPLOYED WITH A CHALLENGE TO WORK
People employed with a challenge to work represents the number of employees with a labour limitation / challenge to work caused by a long-term illness, medical condition or disability working for VodafoneZiggo (registered with UWV).

PEOPLE HELPED TO PROGRESS
People helped to progress represents the number of people 'beneficiaries' of our social and educational programs, and embodies our Digital Inclusion strategy's core goal: to ensure no one is left behind, by equipping individuals (young and old) to navigate the internet safely, securely, and skilfully.

PRESTATIELADDER SOCIALER ONDERNEMEN (PSO)
It is an instrument (scientifically substantiated TNO quality mark) that provides insight into the extent to which organisations engage in social entrepreneurship above average, aimed at the labour participation of vulnerable groups in the labour market.

PRIORITY
Priority is the customer program that gives all Vodafone and Ziggo customers priority access to desired tickets for concerts, sports matches, days out, events and all kinds of offers.

PROGRESS FOR YOU
VodafoneZiggo learning platform with more than 10,000 training courses, workshops and e-learnings for employees.

Q

QUEERS CONNECTED NETWORK
An internal network for a safe and inclusive working environment for LGBT+ colleagues.

R

RDI (RIJKSINSPECTIE DIGITALE INFRASTRUCTUUR)
The Rijksinspectie Digitale Infrastructuur is part of the Ministry of Economic Affairs and Climate Policy. The key objective of the organisation is to ensure a trustworthy and available digital infrastructure, which keeps the Netherlands connected in a safe way.

RETURNED ZIGGO EQUIPMENT
Returned Ziggo equipment is a percentage of useful Ziggo equipment returned by customers out of all the Ziggo equipment returned by customers (all CPE's will be returned and collected end of lifetime). Useful Ziggo equipment refers to devices that can be recycled and refurbished. By getting a higher percentage, we are getting back more useful equipment and less useless equipment. Therefore, less useless transport and storage and less emission and waste.

ROAMING
Roaming, also known as data roaming, means using mobile internet on a different network than the home network.

S

SCIENCE BASED TARGET INITIATIVE (SBTI)
The Science Based Targets initiative (SBTi) is a corporate climate action organization, aimed at helping companies to set ambitious and verifiable greenhouse gas emissions reduction targets, in line with the Paris Agreement goals.

SCOPE 1
Direct emissions cover emissions from sources that VodafoneZiggo owns or controls directly. In this scope we account for: Fuel consumption of the lease vehicle fleet (employees' passenger vehicles and commercial vehicles), heating of buildings and other sites (gas), consumption of coolants and chemicals for air conditioning and cooling and fuel consumption of power generators.

SCOPE 2
Indirect emissions are emissions that VodafoneZiggo causes indirectly when the energy it purchases and uses is produced. In this scope we account for: Electricity consumption of the fixed and mobile networks, data centres, offices and shops, district heating and district cooling (stadswarmte) and electricity consumption of our electric vehicle fleet.

SCOPE 3
Encompasses emissions that are not produced by VodafoneZiggo itself, but that we are indirectly responsible for. In other words, these emissions are the result of activities up and down our value chain from assets not owned or controlled by us. For example, this includes energy consumption by our customers related to the use of customer-premise equipment and the emissions related to purchasing of goods and services.

SHAREHOLDER CASH DISTRIBUTIONS
Equity distributions to our shareholders and principal and interest payments on our shareholder notes.

SIM
SIM is an abbreviation for Subscriber Identity Module. A SIM card is a microchip in a mobile device that connects it to a mobile network.

SMART BUILDING
A future-proof building that makes smart use of energy and connectivity, such as switching heating or lighting on or off or searching for available spaces.

SMARTER WORKING
A complete package of end-to-end solutions for entrepreneurs.

SMARTWIFI PODS PROVIDED TO CUSTOMERS
SmartWifi pods provided to customers represents the total amount of SmartWifi pods provided to customers, minus the total amount of Wifipods returned by its customers, resulting in a net score of SmartWifi pods provided to its customers. The pods are a MESH WiFi solution that can be installed with the SmartWifi smartphone application for a good WiFi everywhere in the house.

SME
SME refers to small and medium enterprises.

SOHO
SoHo (Small Office/Home Office) customers are individuals or small businesses that operate from a home office or a small office.

STAKEHOLDERS
Stakeholders are the individuals or groups who have an interest in our company, or are affected by, the activities or outcomes of our business. This can include internal stakeholders such as employees and shareholders, as well as external stakeholders such as customers, suppliers, governments, industry and society.

STEP UP FOR GOOD
Via our platform Step up for Good, VodafoneZiggo employees register to participate in the programs during working hours.

SUSTAINABLE DEVELOPMENT GOALS (SDGS)
The United Nations has drawn up 17 sustainable development goals (SDGs) which all have specific targets to be achieved by 2030. At VodafoneZiggo, we have linked seven SDGs to our Progress for Everyone strategic pillar and our Sustainable Finance Framework.

SUSTAINABLE FINANCE FRAMEWORK
In January 2022, we published our Sustainable Finance Framework (SFF) which incorporates our previously published Green Bond Framework. Our SFF enables us to issue green and sustainable financing and aligns our CSR strategy with our capital structure. Key Performance Indicators with corresponding sustainable performance targets, such as halving our CO_2 emissions (Scope 1, 2 and 3) by 2025 compared to 2018, are included in our SFF. Our SFF is aligned with the Green Bond Principles 2021, the Green Loan Principles 2021, the Sustainability-Linked Bond Principles 2020 and the Sustainability-Linked Loan Principles 2021 and has been certified by Sustainalytics, a leading and global independent company in ESG research and rating provider.

SUSTAINABILITY LINKED BONDS
Our 2032 Dollar Senior Secured Notes together with our 2032 Euro Senior Secured Notes, issued in accordance with our Framework. These bonds contain features that link our financing strategy to our environmental performance goals.

T

TBPS (TERABITS PER SECOND)
Terabits per second. A measure of data transfer rate equal to 1,000 gigabits per second.

TRUST BUDDIES
Colleagues who make sensitive topics such as inappropriate behaviour negotiable with other colleagues in an accessible way.

U

UNIFIED COMMUNICATION PORTFOLIO
A suite of B2B product offerings including One Net, One Mobile, One Fixed, Office 365, Skype for Business, cloud hosting and customer contact centre solutions. Unified communication seats are unique licenses subscribed in each of these products.

US GAAP
Accounting principles generally applied in the United States. Management and our Supervisory Board evaluate the financial performance of VodafoneZiggo in accordance with US GAAP.

V

VALUE CHAIN
Process and activities by which a company adds value to an article. It refers to the consecutive steps required to move a product from supplier to end user.

VODAFONE GROUP RF MANAGEMENT POLICY STANDARD
This relates to the management, design, procurement and installation of radio base stations and smaller mobile antennas and terminals. The way in which we share the locations of our equipment with other mobile operators has been laid down in a policy agreed between the mobile operators themselves. The underlying purpose of our policies and discussions is centred upon the safety of the general public and the employees working in the vicinity of the antennas.

VOICE CONTROL
Voice-activated search function, integrated in the remote control.

W

WELCOME ONLINE
With this program, we aim to reduce digital divide by helping the elderly to become more digitally skilled.

WIFI6 MODEMS
WiFi6 modems offer faster speeds, increased capacity, improved efficiency, and a more stable connection compared to previous WiFi standards

WOMEN CONNECT NETWORK
An internal network to promote a better gender balance within VodafoneZiggo.

WOMEN AT VODAFONEZIGGO
Women at VodafoneZiggo is a percentage illustrating our total number of internal employees who identify as female, divided by the total number of internal employees (headcount of employees with a definite or indefinite contract as at 31 December of the respective year).

WOMEN IN TOP MANAGEMENT
Women in top management is a percentage illustrating all employees who identify as female in VodafoneZiggo's Senior Leadership Team (SLT) or Senior Management Team (SMT), divided by the total number of SMT and SLT employees (headcount of employees with a definite or indefinite contract as at 31 December of the respective year).

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