Altice Europe N.V.

Remuneration Report 2018

Prins Bernhardplein 200
1097 JB Amsterdam
The Netherlands

REMUNERATION REPORT 2018 – ALTICE EUROPE N.V.

(for the financial year ended December 31, 2018)

This report gives an overview of the remuneration of the Board and explains how the remuneration policy was applied in 2018. Such report is also made available on the Company's website.

The Remuneration Committee was appointed to advise the Board and to prepare the decision-making regarding the determination of the remuneration of Board Members. The Remuneration Committee has the following duties:

- making proposals to the Board for the remuneration policy to be pursued;
- making proposals for the remuneration of the individual Board Members, for adoption by the General Meeting, which proposals must be drawn up in accordance with the Remuneration Policy and, in any event, cover:
  - the remuneration structure;
  - the amount of the fixed remuneration and variable remuneration components;
  - the scenario analyses that are carried out, if any; and
  - the pay ratios within the Company and its business; and
- preparing the remuneration report.

In exercising its duties, the Remuneration Committee may request the services of a remuneration consultant.

1. Composition, number of meetings and main items discussed

The Remuneration Committee consists of at least two and no more than four Non-Executive Board Members. The Remuneration Committee is chaired by an independent Non-Executive Board Member designated by the Board. The members of the Remuneration Committee have the requisite remuneration policy expertise to effectively fulfil the Remuneration Committee's role. The Board appoints and may at any time dismiss members of the Remuneration Committee.

On December 31, 2018, the Remuneration Committee consisted of four Board Members: Mr. van Breukelen, Mr. Sauvaire, Mr. Paulmier and Mr. Besnier, with Mr. Paulmier acting as the Chairman.

The Remuneration Committee meets as often as is deemed necessary, but is required to meet at least once a year or at the request of one or more of its members. The Remuneration Committee held seven meetings in 2018 and reviewed, among others, the following matters:

- the amendment of the Remuneration Policy;
- the determination or the amendment of the remuneration of certain Executive Board Members;
- the determination of the remuneration of the Non-Executive Board Members;
- the determination of the annual cash bonus for Executive Board Members for the financial year 2017;
- the amendment of the 2017 SOP and the 2017 LTIP;
- the grant of stock options under the 2017 SOP;
- the ratification of the grant of stock options under the Stock Option Plans;
- the amendment of the terms and conditions of stock options granted under the Stock Option Plans;
- the treatment of stock options in relation to the Separation; and
- the grant of the Weill 2018 FPPSs and the adjustment of the Weill 2016 FPPSs in connection with the Separation.

The following table shows the attendance at meetings of the Remuneration Committee.

Date	Jurgen van Breukelen	Scott Matlock(1)	Jean-Luc Allavena(2)	Thierry Sauvaire(3)	Nicolas Paulmier(4)	Philippe Besnier(5)
March 30, 2018	Present	Present	Absent	N/A	N/A	N/A
April 3, 2018	Present	Present	Absent	N/A	N/A	N/A
April 5, 2018	Present	Present	Absent	N/A	N/A	N/A
April 27, 2018	Present	Present	Absent	N/A	N/A	N/A

Date	Jurgen van Breukelen	Scott Matlock(1)	Jean-Luc Allavena(2)	Thierry Sauvaire(3)	Nicolas Paulmier(4)	Philippe Besnier(5)
April 30, 2018	Present	Present	Absent	N/A	N/A	N/A
May 14, 2018	Present	Present	Absent	N/A	N/A	N/A
May 28, 2018	Present	Present	Absent	N/A	N/A	N/A

(1) Mr. Matlock stepped down as member of the Remuneration Committee as of July 10, 2018.
(2) Mr. Allavena stepped down as member of the Remuneration Committee as of July 10, 2018.
(3) Mr. Sauvaire was appointed as member of the Remuneration Committee on July 10, 2018. As such his attendance is shown as "N/A" prior to that date.
(4) Mr. Besnier was appointed as a member of the Remuneration Committee on November 20, 2018. As such his attendance is shown as "N/A" prior to that date.
(5) Mr. Paulmier was appointed as member and chairman of the Remuneration Committee on November 20, 2018. As such his attendance is shown as "N/A" prior to that date.

2. Remuneration policy

The remuneration policy was adopted by a resolution of the General Meeting on June 28, 2017 and is made available on the Company's website (the "**Remuneration Policy**"). Pursuant to the Articles of Association, the remuneration of the Executive and Non-Executive Board Members is determined by the General Meeting in accordance with the Remuneration Policy.

Remuneration philosophy

The Company's remuneration philosophy and framework apply to Executive Board Members, including in their capacity as employee or service provider to Group Companies and also apply, with certain limitations, to a wider group of employees. The Company's remuneration philosophy for Executive Board Members (and other senior managers) is based on the following principles:

- provide total remuneration that attracts, motivates and retains candidates with the knowledge, expertise and experience required for each specific role;
- provide remuneration firmly geared towards pay-for-performance, with an appropriate proportion of the overall package being delivered through variable remuneration elements linked to performance over the short and long term;
- encourage and reward performance that will lead to long-term value creation; and
- take into account remuneration practices in the markets in which the Company operates and competes for talent and pay-ratios within the Group.

The compensation package for the Executive Board Members consists of the following fixed and variable components which are discussed in more detail below:

- fixed remuneration: fixed annual compensation and benefits;
- short-term incentive: annual cash bonus; and
- long-term incentives: cash and equity-based incentives.

Remuneration for Non-Executive Board Members

The compensation of Non-Executive Board Members is currently set at €65,000 per annum per Non-Executive Board Member with further fixed compensation payable to reflect additional responsibilities and time commitment, such as chairmanship of Board committees. The members of the Audit Committee and the Remuneration Committee currently receive additional compensation of €20,000 and €5,000 per annum respectively. The chairmen of the Audit Committee and the Remuneration Committee currently receive additional compensation of €30,000 and €20,000 per annum respectively. The chairman of the Board currently receives additional compensation of €25,000 per annum.

Remuneration for Executive Board Members

Fixed remuneration

Elements of fixed remuneration, comprising annual fixed compensation and benefits (including retirement benefits), are set at appropriate levels taking into account various factors such as the nature of the role, the experience and performance of the individual, and local and sector market practice amongst peers of a similar size and scope to the Group. Fixed remuneration elements are reviewed by the Remuneration Committee annually to ensure they remain competitive.

- *Annual fixed compensation*

Notwithstanding any additional remuneration payable to the Executive Board Members by certain of the Group Companies under this Remuneration Policy for services rendered to the Group, the following annual fixed compensation are payable by the Company to the Executive Board Members:

Executive Board Member	**Amount (€)**
President	200,000
Vice-President	150,000
CEO	180,000
Other Executive Board Member	150,000

- *Benefits*

In addition, certain benefits may be provided by the Group to Executive Board Members (and, in certain cases, to other employees). These other benefits can include medical insurance, life assurance and retirement benefits.

The Executive Board Members benefit from collective pension plans implemented by the Group Companies with whom they have entered into an employment or service agreement, in line with local practices. Group Companies may contribute to such collective pension plans a maximum of 15% of the total compensation (both as Executive Board Member and as employee or service provider to Group Companies) of each Executive Board Member benefitting from such plans.

The Company may indemnify an Executive Board Member against all expenses, financial effects of judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with an action, suit or proceeding against him in his capacity as Executive Board Member or as board member, officer, employee or service provider of any Group Company.

Variable remuneration

Variable remuneration elements are intended to motivate the Executive Board Members, in their capacity of employee or service provider to Group Companies (and other senior managers) towards the achievement of Group-wide and personal objectives which ultimately promote delivery of the corporate strategy and the creation of long-term value. The form and structure of variable remuneration elements are reviewed at regular intervals to ensure they continue to support the objectives of the Group and the creation of long-term value. Further details regarding each of the variable remuneration elements currently operated are provided below.

- *Annual cash bonuses*

The Group operates an annual performance-related cash bonus plan for the Executive Board Members, in their capacity of employee or service provider to Group Companies (and other senior managers). Performance-related cash bonuses will be a percentage of an Executive Board Member's aggregate annual base salary (both as Executive Board Member and as employee or service provider to Group Companies) and will be determined by the General Meeting. The Board makes a proposal thereto based upon a recommendation of the Remuneration Committee.

Different percentages may apply depending upon the Executive Board Member's (or senior manager's) seniority. The annual performance-related cash bonuses will be determined based upon the achievement of certain pre-determined key performance indicators based on Group, regional, divisional and individual performance, as appropriate. The annual performance-related cash bonus will be paid only if certain minimum performance thresholds are met.

In addition to the annual performance related cash bonus, a discretionary annual cash bonus may be granted to the Executive Board Members. Such discretionary annual cash bonus is granted to the Executive Board Members by the General Meeting upon a proposal of the Board based on a recommendation of the Remuneration Committee.

- *Equity incentives*

The Executive Board Members, as reward for their employment with or provision of services to Group Companies, and other employees of the Group are eligible to participate in any equity incentive plan the Group operates. Equity incentives are granted to the Executive Board Members by the General Meeting upon a proposal of the Board based on a recommendation of the Remuneration Committee.

- *Cash incentives*

The Executive Board Members, as reward for their employment with or provision of services to Group Companies, can earn a cash incentive which vests after a certain period of time if certain pre-determined KPIs are achieved. The cash incentive will be determined by the General Meeting upon a proposal of the Board based on a recommendation of the Remuneration Committee.

Adjustments to variable remuneration

Pursuant to Dutch law, the variable remuneration of Board Members may be reduced or Board Members may be obliged to repay (part of) their variable remuneration to the Company if certain circumstances apply:

- test of reasonableness – pursuant to Dutch law, any variable remuneration payable to an Executive Board Member (in any capacity whatsoever within the Group) may be adjusted by the Board to an appropriate level if payment of the variable remuneration were to be unacceptable according to the criteria of reasonableness and fairness;
- claw back – the Board will have the authority under Dutch law to recover from an Executive Board Member (in any capacity whatsoever within the Group) any variable remuneration paid on the basis of incorrect financial or other data; or
- deduction of value increase of Shares – in case of a Share price increase due to a public offer on the Shares, Dutch law prescribes to reduce the remuneration of an Executive Board Member (in any capacity whatsoever within the Group) by an amount equal to the value increase of the Shares. Only Shares received by means of remuneration are subject to deduction. Shares that the Executive Board Member has purchased are not. Similar provisions apply in the situation of an intended legal merger or demerger, or in other significant transactions (i.e. transactions that fall within the scope of Section 2:107a DCC).

These rules did not apply to Altice S.A. and the Company will accordingly not apply these rules to any variable remuneration, shares and options which were paid or granted to Executive Board Members (in any capacity whatsoever within the Group) prior to the Merger, or Shares or options which were allotted by the Company in exchange for shares or options of Altice S.A. pursuant to the Merger.

Service agreements

The Board Members have a service agreement with the Company. The service agreements with the Company do not contain severance provisions. The Executive Board Members may have an employment or service agreement with a Group Company. Such employment or service agreement may include a severance provision if the Group Company terminates the contract pursuant to which the Executive Board Member is entitled to a maximum severance payment which is limited to 52 weeks of the fixed annual compensation as employee or service provider to a Group Company.

3. Implementation

The Remuneration Policy was adopted by the General Meeting on June 28, 2017. The principles described in the Remuneration Policy have been applied in 2018.

To ensure that the remuneration of the Executive Board Members is linked to performance, a significant proportion of their remuneration package is variable and dependent on the short and long-term performance of the individual Board Member and the Group (please see section 9 "*Performance criteria*" for more details on the performance criteria applied for annual cash bonuses, section 7 "*Share options*" for a summary of the grants of stock options to the Executive Board Members under the SOP, the LTIP, the 2017 SOP and the PSOP, section 8 "*Cash incentive*" for a summary of cash incentives granted to Executive Board Members and section 11 "*FPPS*" for a summary of the grants of Preference Shares B to Mr. Weill). Performance targets must be realistic and sufficiently stretching and – particularly with regard to the variable remuneration components – the Remuneration Committee ensures that the relationship between the chosen performance criteria and the strategic objectives applied, as well as the relationship between remuneration and performance, are properly reviewed and accounted for, both ex-ante and ex-post. The current remuneration package does not encourage Executive Board Members and employees to take unjustified risks and is focused on the Company's long-term development.

The Remuneration Committee regularly reviews whether the Remuneration Policy or the way it is implemented should be adjusted. For example, in 2018, the Remuneration Committee assessed the need for the amendment of the 2017 SOP and the 2017 LTIP in order to extend these stock option plans to Executive Board Members.

In 2019, the Remuneration Committee will continue to assess whether the amount and components of the remuneration package of the Executive Board Members is appropriate and is in the best interests of the Company and its Shareholders on a long-term basis.

Accordingly, the Company has complied with best practice provision 3.4.1 of the Code.

4. Remuneration of the Board

Remuneration of the Board in 2018[1]

The table below provides an overview of the remuneration of each Board Member for the financial year ended December 31, 2018. For every amount specified, the amount includes gross amounts, before the impact of social security or income tax deductions.

Name	Fixed compensation	Additional compensation for services to the Group(1)	Committee membership	Annual cash bonus	Discretionary one-time cash bonus	401(k) Savings Plan / LPP collective plan(2)	Other benefits(3)	Total(4)
P. Drahi(5)	€112,698	-	N/A	-	-	-	-	€112,698
A. Weill(6)	€85,909	€996,829(7)	N/A	€500,000(8)	-	-	-	€1,582,738(7)
A4 S.A.(9)	€150,000	-	N/A	-	-	N/A	N/A	€150,000
N. Marty(10)	€71,591	CHF27,916	N/A	€200,000(11)(12)	€100,000 (12) (13)	CHF102,168 (14)	CHF5,223	€407,499
D. Goei(15)	€146,825	$215,385	N/A	$2,400,000(15)	-	$9,231	$7,468	€2,375,411
D. Okhuijsen(16)	€133,333	€58,333 CHF113,000	N/A	-	€1,000,000(12) (17)	CHF143,299(14)	CHF40,985	€1,334,384
J. van Breukelen	€108,900(18)	N/A	€73,944(18)	N/A	€60,500(18) (19)	N/A	N/A	€243,344 (18)
T. Sauvaire(20)	€31,023	N/A	€10,606	N/A	-	N/A	N/A	€41,629
P. Besnier(21)	€7,403	N/A	€2,847	N/A	-	N/A	N/A	€10,250
N. Paulmier(22)	€7,403	N/A	€5,125	N/A	-	N/A	N/A	€12,528
S. Matlock(23)	€34,247	N/A	€23,710	N/A	€50,000(19)	N/A	N/A	€107,957
J.-L. Allavena(24)	€34,247	N/A	€13,172	N/A	€50,000(19)	N/A	N/A	€97,419

[1] Please refer to section 7 "*Share options*" for a summary of the grants of stock options to the Executive Board Members under the SOP, the LTIP, the 2017 SOP and the PSOP, section 8 "*Cash incentive*" for a summary of cash incentives granted to Executive Board Members, section 11 "*FPPS*" for a summary of the grants of Preference Shares B to Mr. Weill, and to Note 30.1 to the Consolidated Statements for more details on the remuneration of the Board Members in 2018.

[(1)] Payable to the Executive Board Members by Group Companies for services rendered to the Group.
[(2)] Please see section 12 "*Pension schemes*".
[(3)] Other benefits include health and welfare benefit plans (medical, dental, vision, life insurance and disability coverage).
[(4)] For calculation purposes, the average exchange rate of U.S. dollars and Swiss Francs into euros for the year ended December 31, 2018 was used ($1.00 = €0.8467; CHF1 = €0.8657).
[(5)] The General Meeting appointed Mr. Drahi as Executive Board Member on May 18, 2018. Mr. Drahi's appointment as Executive Board Member and President was effective as of June 8, 2018. Amounts disclosed relate to remuneration received as from the date of appointment.
[(6)] The General Meeting appointed Mr. Weill as Executive Board Member on July 10, 2018. Mr. Weill's appointment as CEO was effective as of the same date. Amounts disclosed relate to remuneration received as from the date of appointment or to which he is entitled as from the date of appointment and which is expected to be paid in due course in 2019.
[(7)] Including 20% VAT on fees paid by NextRadioTV to News Participations S.A.S., a company controlled by Mr. Alain Weill.
[(8)] Mr. Weill was granted a discretionary annual cash bonus of €500,000 for the financial year 2018. Such bonus will be paid in April 2019. Please refer to section 10 "*Discretionary annual cash bonus*" for more details.
[(9)] The permanent representative of A4 S.A. on the Board until October 31, 2018 was Mr. Bonnin. As from October 31, 2018, Mr. Okhuijsen has been the permanent representative of A4 S.A. on the Board. Both Mr. Bonnin and Mr. Okhuijsen have entered into services agreements with the Company and A4 S.A. that entitles Mr. Bonnin and Mr. Okhuijsen to the fixed remuneration to which A4 S.A. is entitled as Executive Board Member. In 2018, such remuneration was paid pro rata to Mr. Bonnin and Mr. Okhuijsen.
[(10)] Ms. Marty was appointed as Executive Board Member on July 10, 2018. Amounts disclosed relate to remuneration received as from the date of appointment.
[(11)] The Group operates an annual performance-related cash bonus plan for the Executive Board Members, in their capacity as employee or service provider to Group Companies. Ms. Marty's annual cash bonus was paid out in March 2019 as an advance on the annual cash bonus that she was entitled to for the financial year 2018. The final amount of Ms. Marty's annual bonus is to be determined by the 2019 AGM. For more details on the annual performance-related cash bonus plan, please refer to sections 2 "*Remuneration policy*" and 9 "*Performance criteria*".
[(12)] Subject to the deduction of the contributions to be made to the LPP collective plan (please refer to section 12 "*Pension schemes*" for more details on the LPP collective plan).
[(13)] This amount was granted to Ms. Marty prior to her appointment to the Board but was paid in December 2018 at the time Ms. Marty was an Executive Board Member.
[(14)] Including the amount contributed to the LPP collective plan that is deducted from the annual cash bonus or discretionary one-time cash bonus, as the case may be (please refer to section 12 "*Pension schemes*" for more details on the LPP collective plan).
[(15)] Mr. Goei stepped down as Executive Board Member on October 31, 2018. Amounts disclosed relate only to the period in which he has served as Executive Board Member and, with respect to amounts paid by Altice USA, to the period from January 1, 2018 to June 8, 2018, which was the date of the Separation (except for the annual cash bonus for 2018 which was determined by the compensation committee of Altice USA after the Separation and was paid by Altice USA in March 2019). Please refer to section 9 "*Performance criteria*" for more details on Mr. Goei's annual cash bonus for 2018.
[(16)] Mr. Okhuijsen stepped down as Executive Board Member on October 31, 2018. Amounts disclosed relate only to the time he has served as Executive Board Member.
[(17)] On May 18, 2018, the General Meeting granted this amount to Mr. Okhuijsen as an exceptional variable gross compensation as employee of Altice Management International S.A.
[(18)] Including 21% VAT.
[(19)] This amount was paid in 2018 as an additional one-time discretionary cash compensation given the additional work performed in respect of, and his substantive contribution, to the Separation. This amount is subject to the approval of the 2019 AGM.
[(20)] Mr. Sauvaire was appointed as Non-Executive Board Member on July 10, 2018. Amounts disclosed relate to remuneration received as from the date of appointment.
[(21)] Mr. Besnier was appointed as Non-Executive Board Member on November 20, 2018. Amounts disclosed relate to the estimated remuneration to which Mr. Besnier is entitled as from the date of appointment and which is expected to be paid in due course in 2019.
[(22)] Mr. Paulmier was appointed as Non-Executive Board Member on November 20, 2018. Amounts disclosed relate to the estimated remuneration to which Mr. Paulmier is entitled as from the date of appointment and which is expected to be paid in due course in 2019.
[(23)] Mr. Matlock stepped down as Non-Executive Board Member on July 10, 2018. Amounts disclosed relate only to the time he has served as Non-Executive Board Member.
[(24)] Mr. Allavena stepped down as Non-Executive Board Member on July 10, 2018. Amounts disclosed relate only to the time he has served as Non-Executive Board Member.

5. Scenario analyses

The Remuneration Committee regularly reviews the framework of the remuneration of the Executive Board Members and its components to determine if any adjustments are required – for example to adapt such remuneration to market developments or if the mix between fixed remuneration, variable remuneration and long-term incentives would no longer be set at an appropriate level given the evolution of the Group – with a view to making recommendations to the Board in that respect. In that context, the Remuneration Committee may conduct pay scenario analysis modelling on an ad hoc basis, which may, for example, assess the pay-out quantum for Executive Board Members under different performance scenarios. This modelling may be undertaken to ensure that the Remuneration Policy links directly to the Company's performance and is therefore in the interest of Shareholders.

Accordingly, the Company has complied with best practice provision 3.4.1 of the Code.

6. Pay ratios

Based on best practice provision 3.4.1 of the Code, the Company shall disclose the ratios between the remuneration of the Board Members and that of a representative reference group of employees within the Group and, if applicable, comment on any important variation in the pay ratios in comparison with the previous financial year.

Reference group and average remuneration

The Company has decided to include in the reference group the entire workforce employed by the Group, expressed in the form of full-time-equivalent employees (FTE). The full-time equivalence of each employee is calculated based on the number of hours worked by the employee in each period, compared to the maximum number of hours/period allowed as per the local law prevalent in the country of operation. As at December 31, 2018, there were 35,328 FTEs.

The calculation of the pay ratios was based on the average of the remuneration received by the employees of the reference group and was made in accordance with the following rules:

- in the event that an employee of the reference group received remuneration from different companies within the Group, the calculation was based on the global remuneration received by the relevant employee;
- the remuneration of the employees of the reference group taken into account was the remuneration received during the year concerned (i.e. if a bonus was paid in 2018 relating to activities performed in 2017, the bonus was taken into account when calculating the pay ratios of the financial year 2018);
- if all or part of the remuneration was paid in a foreign currency, the exchange rate which was used was the average exchange rate of the relevant currency into euros for the year ended December 31, 2018.

Type of remuneration

The Company used both fixed and variable remuneration components when determining the pay ratios for a given year.

Period of reference

The pay ratio disclosed by the Company reflects the last financial year.

Calculated pay ratios

Based on the above, the calculated pay ratio is as follows:

- the average President-to-worker pay ratio stands at 46.45 to 1 in 2018, compared to 71.1 to 1 in 2017.

In the course of 2018, both Mr. Goei and Mr. Drahi occupied the position of President and therefore fixed and variable remuneration components for both Mr. Goei and Mr. Drahi were taken into account in calculating the above pay ratio. The pay ratio for 2018 is lower than the pay ratio for 2017 because Mr. Drahi's remuneration is significantly lower than that of Mr. Goei, as Mr. Drahi does not receive any variable remuneration in cash. Please refer to section 4 *"Remuneration of the Board"* for additional information.

In addition, when Mr. Okhuijsen stepped down as Executive Board Member on October 31, 2018, the position of CFO was also removed from the Board. As such, the Company is not calculating a pay ratio for the position of CFO for 2018.

As the position of CEO within the Board was only occupied by Mr. Weill since July 10, 2018, the Company aims to provide a pay ratio for the position of CEO in the 2019 Management Report.

Accordingly, the Company has complied with best practice provision 3.4.1 of the Code.

7. Share options

SOP

The Board and the General Meeting approved the establishment of the SOP on August 7, 2015, subject to and with effect as of the effective date of the Merger. The SOP was subsequently amended by the Board on recommendation of the Remuneration Committee on January 11, 2016 and on March 14, 2016, by the General Meeting on June 28, 2016 and by the Board on recommendation of the Remuneration Committee on July 25, 2016, subject to and with effect as from the moment following the 2016 EGM, when the proposed amendments to the articles of association of the Company, resolved upon in the 2016 EGM, took effect. The SOP was last amended by the Board on March 20, 2017. The purpose of the SOP is, amongst others, to provide prospective candidates to join the Group or prospective candidates for promotion within the Group with appropriate incentives and to support their retention. The number of options granted under the SOP depends on the position, the importance of the role, the seniority, the performance and the development potential of the participant on a mid/long term. The grant of stock options under the SOP may be accompanied, for certain participants, by the grant of a deferred cash bonus subject to the same vesting conditions.

The Board, upon recommendation of the Remuneration Committee, may grant stock options to eligible participants under the conditions set out by the SOP. Employees of the Group and, in exceptional cases, individuals who are not employees of the Group are eligible to participate in the SOP. In addition, the General Meeting may resolve to grant stock options to Executive Board Members under the SOP as reward for their employment with or provision of services to Group Companies and in that case determines the number and the applicable criteria of such stock options, based on a recommendation of the Remuneration Committee. Non-Executive Board Members are not eligible for participation in the SOP.

Options granted under the SOP are subject to vesting conditions, which are time-based. For each participant, the stock options will vest as follows:

- a first tranche of 50% of the stock options a participant holds vests on the 2nd anniversary of the start date of the vesting period;
- a second tranche of 25% of the stock options a participant holds vests on the 3rd anniversary of the start date of the vesting period; and
- a third tranche of 25% of the stock options a participant holds vests on the 4th anniversary of the start date of the vesting period.

Notwithstanding the foregoing, the Board, upon recommendation of the Remuneration Committee, may adjust the start date of the vesting period of any participant, provided that the Board concurrently grants a benefit to such participant.

No consideration is payable for the allocation of the stock options. The exercise price of stock options granted under the SOP is equal to the weighted average price at which the Common Shares A are traded on Euronext Amsterdam during a period of 30 days preceding (i) the date of the offer made to and accepted by the employee to join the Group, (ii) the date on which the employee is promoted to a new function within the Group, or (iii) for an existing employee within the Group, the date on which the decision was made to grant him additional or new stock options, as the case may be. The Board, upon recommendation of the Remuneration Committee, may adjust the exercise price (at the time of or after the grant of the stock options) in a more favorable way for the participants, unless such an adjustment would have the effect of creating a material detriment to the Shareholders.

The following table summarizes the stock options granted to Executive Board Members under the SOP[1].

Name	Grant date	Tranches	Number of options granted	Current status	Exercise price at the grant date (€)	Adjusted exercise price[2] (€)	Gross cash compensation [2]	Value at the grant date (€)	Value at vesting (€)	Vesting[3]
Next Alt (entity controlled by Mr. Drahi)	January 31, 2014	First (50%)	5,309,734	Vested	7.0625	1.72	$32,884,550[4]	0	32,800,882	January 31, 2016
		Second (25%)	2,654,867	Vested	7.0625	1.72		0	35,090,705	January 31, 2017
		Third (25%)	2,654,867	Vested	7.0625	1.72		0	4,230,530	January 31, 2018
D. Goei	January 31, 2014	First (50%)	5,309,734	Vested	7.0625	1.72	$32,884,550	0	32,800,882	January 31, 2016
		Second (25%)	2,654,867	Vested	7.0625	1.72		0	35,090,705	January 31, 2017
		Third (25%)	2,654,867	Vested	7.0625	1.72		0	4,230,530	January 31, 2018

Name	Grant date	Tranches	Number of options granted	Current status	Exercise price at the grant date (€)	Adjusted exercise price[2] (€)	Gross cash compensation [2]	Value at the grant date (€)	Value at vesting (€)	Vesting[3]
D. Okhuijsen[5]	January 31, 2015	First (50%)	733,810	Vested	13.6275	3.32	$2,073,458[7]	3,594,201	4,881,671	January 31, 2017
		Second (25%)	366,905	Vested	13.6275	3.32		1,797,100	0	January 31, 2018
		Third (25%)	366,905	Vested[6]	13.6275	3.32	$691,153[7]	1,797,100	0	January 31, 2019
N. Marty	January 31, 2016	First (50%)	12,660	Vested	17	4.14	$21,598[7]	0	0	January 31, 2018
		Second (25%)	6,330	Vested[6]	17	4.14	$10,799[7]	0	0	January 31, 2019
		Third (25%)	6,330	Unvested	17	4.14	$10,799[7]	0	N/A	January 31, 2020
	June 23, 2016	First (50%)	17,975	Vested	13.9081	3.38	$38,835[7]	18,638	2,624	June 23, 2018
		Second (25%)	8,987	Unvested	13.9081	3.38	$19,417[7]	9,319	N/A	June 23, 2019
		Third (25%)	8,988	Unvested	13.9081	3.38	$19,417[7]	9,319	N/A	June 23, 2020

[1] The share option plan of Altice S.A. ("**SOP SA**") came into effect on January 31, 2014. The Company, as surviving entity in the Merger, has adopted a stock option plan which replaced the SOP SA as of the effective date of the Merger, under (substantially) the same conditions as applicable to the SOP SA. Each option granted under the SOP SA was exchanged for four options, each entitling to one Common Share A in the share capital of the Company, at 25% of the applicable exercise price under the SOP SA.
[2] In connection with the Separation, the exercise price of the stock options granted under the SOP was adjusted and a gross cash compensation corresponding to the value of a stock option on 0.4163[2] Altice USA share, multiplied by the number of stock options held by the participant under the SOP, was granted to the participants who had unexercised stock options under the SOP, subject to vesting of the relevant stock options.
[3] Vested options can be exercised at any time until the 10th anniversary of the grant date.
[4] On July 5, 2018, the Board resolved that the payment of the cash compensation may be deferred if so agreed upon by the relevant participant and the Company and that the interest payable by the Company to the relevant participant in connection with the deferred payment would be: (i) if payment is deferred by six months, calculated as from the date on which the cash compensation is payable: EURIBOR plus 200 basis points and (ii) if payment is deferred by twelve months, calculated as from the date on which the cash compensation is payable: EURIBOR plus 300 basis points. The actual payment made to Next Alt in January 2019 was $33,225,284, including interest.
[5] On January 30, 2014, the board of directors of Altice S.A. decided to grant to Mr. Okhuijsen €10 million worth of options on the first anniversary, and €10 million worth of options on the second anniversary, of the initial public offering of Altice S.A. In March 2015, the board of directors of Altice S.A., upon recommendation of the remuneration committee, based on a proposal from the management, resolved to grant all €20 million worth of options to Mr. Okhuijsen retroactively on January 31, 2015.
[6] As of the date of this Management Report.
[7] Subject to the deduction of the contributions to be made to the LPP collective plan, if any (please refer to section 12 "*Pension schemes*" for more details on the LPP collective plan).

2017 SOP

On November 2, 2017, the Board, upon recommendation of the Remuneration Committee, adopted a new stock option plan (the "**2017 SOP**"), the terms of which are substantially the same as those of the SOP, except for the good leaver / bad leaver provisions applicable when a participant leaves the Group which have been amended to further support retention of the participants. The 2017 SOP was amended on May 18, 2018 by the General Meeting in order to extend the 2017 SOP to Executive Board Members.

LTIP

The General Meeting approved the establishment of the LTIP on June 28, 2016. The LTIP was subsequently amended by the Board on recommendation of the Remuneration Committee on July 25, 2016, subject to and with effect as from the moment following the 2016 EGM, when the proposed amendments to the Articles of Association, resolved upon in the 2016 EGM, took effect. The LTIP is mainly used by the Company to grant stock options to participants under the SOP whose options have partially vested, in order to support retention of such participants, such grant being accompanied, for certain participants, by the grant of a deferred cash bonus subject to the same vesting conditions. The number of options granted under the LTIP depends on the position, the importance of the role, the seniority, the performance and the development potential of the participant on a mid/long term.

The Board, upon recommendation of the Remuneration Committee, may grant stock options to eligible participants under the conditions set out by the LTIP. Employees of the Group and in exceptional cases individuals who are not employees of the Group are eligible to participate in the LTIP. In addition, the General Meeting may resolve to grant stock options to Executive Board Members under the LTIP as reward for their employment with or provision of services to Group Companies and in that case, determines the number and the applicable criteria

[2] Corresponding to the number of Altice USA shares distributed to the Company's shareholders in respect of each share in the Company in connection with the Separation.

of such stock options, based on a recommendation of the Remuneration Committee. Non-Executive Board Members are not eligible for participation in the LTIP.

Options granted under the LTIP are subject to vesting conditions, which are time-based. For each participant, all the stock options will vest on the 3rd anniversary of the start date of the vesting period. Notwithstanding the foregoing, the Board may, upon recommendation of the Remuneration Committee, adjust the start date of the vesting period of any participant, provided that the Board concurrently grants a benefit to such participant.

No consideration is payable for the allocation of the stock options. The exercise price of stock options granted under the LTIP is equal to the weighted average price at which the Common Shares A are traded on Euronext Amsterdam during a period of 30 days preceding (i) the date on which the decision was made to grant the participant additional or new stock options, or (ii) an alternative date determined by the Board. The Board, upon recommendation of the Remuneration Committee, may adjust the exercise price (at the time of or after the grant of the stock options) in a more favourable way for the participants, unless such an adjustment would have the effect of creating a material detriment to the Shareholders.

The following table summarizes the stock options granted to Executive Board Members under the LTIP.

Name	Grant date	Number of options granted	Deferred cash bonus (€)	Current status	Exercise price (€)	Adjusted exercise price(1) (€)	Gross cash compensation (1)	Value at the grant date (€)	Value at vesting (€)	Vesting(2)
P. Drahi	January 31, 2016	755,287	-	Vested(3)	13.24	3.22	$1,638,468	0	0	January 31, 2019
D. Goei	January 31, 2016	755,287	-	Vested(3)	13.24	3.22	$1,638,468	0	0	January 31, 2019
	January 31, 2017	516,416	-	Unvested	19.3642	4.71	$877,113	472,934	N/A	January 31, 2020
D. Okhuijsen	January 31, 2017	129,104	2,500,000(4)	Unvested	19.3642	4.71	$219,278(5)	118,233	N/A	January 31, 2020

(1) In connection with the Separation, the exercise price of the stock options granted under the LTIP was adjusted and a gross cash compensation corresponding to the value of a stock option on 0.4163[3] Altice USA share, multiplied by the number of stock options held by the participant under the LTIP, was granted to the participants who had unexercised stock options under the LTIP, subject to vesting of the relevant stock options.
(2) Vested options can be exercised at any time until the 10th anniversary of the grant date.
(3) As of the date of this Management Report.
(4) Granted to Mr. Okhuijsen by the General Meeting on June 28, 2017 and adjusted in connection with the Separation by the General Meeting on July 10, 2018. Mr. Okhuijsen's deferred cash bonus will vest on January 31, 2020 ranging between 0% and 200% of the granted amount, subject to performance criteria (EBITDA – CAPEX + change in current WC, as indicated in the budget for a given year) to be assessed each year during the vesting period (starting on January 31, 2017), and for 2018 taking into account the new perimeter of the Group after the Separation.
(5) Subject to the deduction of the contributions to be made to the LPP collective plan, if any (please refer to section 12 "*Pension schemes*" for more details on the LPP collective plan).

2017 LTIP

On November 2, 2017, the Board, upon recommendation of the Remuneration Committee, adopted a new long-term incentive plan (the "**2017 LTIP**"), the terms of which are substantially the same as those of the LTIP, except for the good leaver / bad leaver provisions applicable when a participant leaves the Group which have been amended to further support retention of the participants. The 2017 LTIP was amended on May 18, 2018 by the General Meeting in order to extend the 2017 LTIP to Executive Board Members.

PSOP

On June 28, 2017, the General Meeting adopted a new performance stock option plan (the "**PSOP**"). The PSOP is used to grant stock options to selected employees of the Group, including Executive Board Members, the vesting of which is subject to the achievement of a financial performance target (the "**Target**").

The General Meeting may resolve to grant stock options to Executive Board Members under the PSOP as reward for their employment with or provision of services to Group Companies and in that case, determines the number and the applicable criteria of such stock options, including the Target, based on a recommendation of the

[3] Corresponding to the number of Altice USA shares distributed to the Company's shareholders in respect of each share in the Company in connection with the Separation.

Remuneration Committee. The Board, upon recommendation of the Remuneration Committee, may grant stock options to the other participants under the conditions set out by the PSOP. Any employees of the Group (including Executive Board Members) is eligible to participate in the PSOP. In addition, at the discretion of the Board, individuals who are not employees of the Group but who, in view of their activities for the benefit of the Group, made an important contribution to the success of the business of the Group, may also be granted options under the PSOP. Non-Executive Board Members are not eligible for participation in the PSOP.

The number of options granted under the PSOP depends on the position, the importance of the role, the seniority and the anticipated contribution of the participant in the performance of the Group in the mid-term. No consideration is payable for the allocation of the stock options. The exercise price of stock options granted under the PSOP is equal to the weighted average price at which the Common Shares A are traded on Euronext Amsterdam during a period of 30 days preceding (i) the date on which the decision was made to grant stock options to the participant, or (ii) an alternative date determined by the Board. The Board, upon recommendation of the Remuneration Committee, may adjust the exercise price (at the time of or after the grant of the stock options) in a more favorable way for the participants, unless such an adjustment would have the effect of creating a material detriment to the Shareholders.

The Target is set at the date of grant and will be achieved if the Adjusted EBITDA – CAPEX of the third full financial year following the date of grant is equal to or superior to the Target. The Board, based on a recommendation of the Remuneration Committee (or the General Meeting, as the case may be), may adjust the Target to reflect recapitalization events, acquisitions, divestitures, or any other corporate events or actions, which require an adjustment to the Target. In 2018, the Target was adjusted to reflect the Separation. All stock options shall lapse if the Group does not achieve the Target.

The participant still needs to be employed or to provide services to the Company or to any Group Company at the moment that it is determined that the Group has achieved the Target. Participants who leave the Group before the vesting date will forfeit their stock options.

The following table summarizes the stock options granted to Executive Board Members under the PSOP.

Name	Grant date	Number of options granted	Current status	Exercise price at the grant date (€)	Adjusted exercise price[1] (€)	Value at the grant date (€)	Value at vesting (€)	Vesting[2]
D. Okhuijsen	January 31, 2017	516,416	Unvested	19.3642	4.71	0	N/A	2021 (subject to performance conditions)

(1) The exercise price of the options granted under the PSOP and the Target were adjusted in connection with the Separation. No cash compensation is due in connection with the Separation with respect to options granted under the PSOP.
(2) Vested options can be exercised at any time until the 10th anniversary of the grant date.

Share options pursuant to the brand licence and services agreement

The Group licences the Altice brand from Next Alt as part of a brand licence and services agreement concluded in 2016. As part of this agreement, the Group has the exclusive right to use the Altice brand for corporate identification purposes and commercial purposes in the telecommunication, content and media sectors in the territory defined in the agreement (which, since the Separation, excludes North America). In 2017, the brand licence and services agreement was amended. Instead of a fee, Next Alt was granted 30 million stock options. On June 7, 2018, Next Alt transferred the options to its parent company Next Luxembourg S.C.Sp.

The following table summarizes the stock options granted to Next Alt, and subsequently transferred to Next Luxembourg S.C.Sp, in connection with the brand licence and services agreement.

Name	Grant date	Number of options granted	Current status	Exercise price at the grant date (€)	Adjusted exercise price(1) (€)	Gross cash compensation (1)	Value at the grant date (€)	Value at vesting (€)	Vesting(2)
Next Luxembourg S.C.Sp (entity controlled by Mr. Drahi)	January 31, 2017	10,000,000	50% Vested(3)	19.3642	4.71	$8,492,312	4,759,000	0	January 31, 2019
			25% Unvested	19.3642	4.71	$4,246,156	2,339,500	N/A	January 31, 2020
			25% Unvested	19.3642	4.71	$4,246,156	2,339,500	N/A	January 31, 2021
	January 31, 2017	10,000,000	Unvested	19.3642	4.71	$7,684,085	0	N/A	Latest by January 31, 2021(4)
	January 31, 2017	10,000,000	Unvested	19.3642	4.71	$4,307,829	0	N/A	Latest by January 31, 2022(5)

(1) In connection with the Separation, the exercise price of the stock options was adjusted and a gross cash compensation corresponding to the value of a stock option on 0.4163[4] Altice USA share, multiplied by the number of outstanding stock options, was granted to Next Luxembourg S.C.Sp, subject to vesting of the relevant stock options.
(2) Vested options can be exercised at any time until the 10th anniversary of the grant date.
(3) As of the date of this Management Report.
(4) Subject to performance conditions: the options will vest in the event the share price doubles in value compared to the adjusted exercise price on or before January 31, 2021.
(5) Subject to performance conditions: the options will vest in the event the share price triples in value compared to the adjusted exercise price on or before January 31, 2022.

US carried interest plan

In the US, Altice USA has implemented a long-term equity incentive plan for certain members of its management team (the "**US Carried Interest Plan**"). The purpose of the US Carried Interest Plan is to provide participants with an opportunity to participate in the long-term growth and financial success of Altice USA, by being granted "profits interest" in the form of units of ownership in a US limited partnership (the "**Class C Units**").

A profits interest gives the participant the right to share in specified future profits and appreciation in value that the investors of the limited partnership may receive, including profits paid upon a sale of the investors' interests. Economically, a profits interest is generally equivalent to a stock option granted on the stock of a corporation, insofar as the holder of a profits interest only realizes value if the limited partnership on which it is granted appreciates in value or has profits after the grant date.

The Class C Units will vest as follows:

- time vesting Class C Units:
  - first grant to a participant: 50% of the Class C Units will vest on the second anniversary of the grant date; 25% of the Class C Units will vest on the third anniversary of the grant date; and 25% of the Class C Units will vest on the fourth anniversary of the grant date. For the initial grants under the US Carried Interest Plan, the vesting period started on December 21, 2015, i.e. the date of the Suddenlink's acquisition by the Group;
  - additional grant to a participant: 100% of the Class C Units will vest on 31 January 2020;
- performance vesting Class C Units: 100% of the Class C Units will vest if certain performance targets, which have been set at the level of Altice USA, have been achieved with respect to financial year 2019.

All unvested Class C Units will automatically vest in case of a change of control of Altice USA.

Holders of vested Class C Units receive Class A common stock of Altice USA. The number of Class A common stock received is calculated using the fair market value of the Class C Units and is based on the then trading price of Class A common stock of Altice USA.

The following table summarizes the Class C Units granted to Mr. Drahi and Mr. Goei under the US Carried Interest Plan prior to the Separation.

[4] Corresponding to the number of Altice USA shares distributed to the Company's shareholders in respect of each share in the Company in connection with the Separation.

Name	Grant date	Tranches	Number of Class C Units granted	Current status	Value (€)	Vesting
P. Drahi (through Uppernext S.C.Sp)	July 13, 2016	First (50%)	5,650,000	Redeemed in shares of Altice USA Class A common stock on December 21, 2017	5,000,000	December 21, 2017
		Second (25%)	2,825,000	Redeemed in shares of Altice USA Class A common stock on December 21, 2018	2,500,000	December 21, 2018
		Third (25%)	2,825,000	Unvested	2,500,000	December 21, 2019
D. Goei	July 13, 2016	First (50%)	5,650,000	Redeemed in shares of Altice USA Class A common stock on December 21, 2017	5,000,000	December 21, 2017
		Second (25%)	2,825,000	Redeemed in shares of Altice USA Class A common stock on December 21, 2018	2,500,000	December 21, 2018
		Third (25%)	2,825,000	Unvested	2,500,000	December 21, 2019
	July 13, 2016	N/A	10,000,000	Unvested	9,034,200(1)	2020 (subject to performance conditions)
	February 13, 2017	N/A	10,600,000	Unvested	9,379,516(2)	January 31, 2020

(1) $10 million. For calculation purposes, the average exchange rate of U.S. dollars into euros for the year ended December 31, 2016 was used ($1.00 = €0.90342).
(2) $10.6 million. For calculation purposes, the average exchange rate of U.S. dollars into euros for the year ended December 31, 2017 was used ($1.00 = €0.88486).

Altice USA 2017 Long Term Incentive Plan

Altice USA adopted a long-term incentive plan in 2017 (the "**AUSA LTIP**") in connection with the Altice USA IPO. Under the AUSA LTIP, Altice USA may grant awards of options, restricted shares, restricted share units, stock appreciation rights, performance stock, performance stock units and other awards, to its and its affiliates respective officers, employees and consultants.

On December 30, 2017, certain members of Altice USA's management, including Mr. Goei, were granted stock options under the AUSA LTIP. The stock options were granted to the executive officers who had previously received Class C Units under the US Carried Interest Plan and whose initial 50% vesting of such Class C Units occurred on December 21, 2017.

The following table summarizes the stock options granted to Mr. Drahi and Mr. Goei under the AUSA LTIP prior to the Separation.

Name	Grant date	Number of US options granted	Current status	Exercise price at the grant date ($)	Adjusted exercise price(1) ($)	Value at the grant date ($)	Value at vesting ($)	Vesting(2)
Next Luxembourg S.C.Sp (entity controlled by Mr. Drahi)	December 30, 2017	600,604	Unvested	$19.48	$17.445	11,700,000	N/A	December 21, 2020
D. Goei	December 30, 2017	1,201,208	Unvested	$19.48	$17.445	23,400,000	N/A	December 21, 2020

(1) The exercise price of the stock options was adjusted to take into account the Pre-Distribution Dividend of $2.035 per share.
(2) Vested options can be exercised at any time until the 10th anniversary of the grant date.

8. Cash incentive

On July 10, 2018, the General Meeting granted a cash performance bonus of €1,000,000 to Ms. Marty in connection with the determination of Ms. Marty's remuneration, with the following characteristics:

- performance criteria: on the financial year ending on December 31, 2021, the Company having generated an annual consolidated EBITDA (as reported on a consolidated basis and with constant perimeter and accounting standards) equal or in excess of the projected annual consolidated EBITDA in the 4-year business plan adopted by the Company;

- vesting period: four years from the date of the General Meeting, subject to the achievement of the performance criteria and subject to certain exceptions;

- amount due: ranging between 0% and 200% of the granted amount, to be assessed at the end of the vesting period, according to a predetermined allocation key linked to performance criteria.

9. Performance criteria

The performance criteria used to determine the annual cash bonuses of the Executive Board Members depend on the other duties performed by them within the Group and the Group Company of which they are an employee or a service-provider. As Mr. Goei, during his tenure as CEO and Executive Board Member, was also the chairman and chief executive officer of Altice USA, his annual cash bonus with respect to the financial year 2018 was determined in accordance with the rules applicable to the Altice USA executive officers.

Outside the US

Outside of the US, the annual cash bonus of the members of the senior leadership team of the Group, including the Executive Board Members (other than Mr. Goei), is determined for 2/3 based on financial performance criteria and for 1/3 based on personal performance criteria:

- each individual's personal objectives are determined every year and assessed at the end of each year;

- with respect to the financial performance criteria:

    - for those members of the senior leadership team who exercise corporate functions, such as the Executive Board Members (other than Mr. Goei), the financial performance criteria are assessed at the Group level;
    - for the other members of the senior leadership team, the financial performance criteria are assessed at the Group level for 1/3 and at the level of the Group Company employing them for 1/3;
    - the three indicators which were used in 2018 as financial performance criteria were Revenues, Adjusted EBITDA and Adjusted EBITDA – CAPEX + change in Working Capital (for more details on these indicators, please refer to Note 4.2 to the Consolidated Financial Statements). The target level of each such indicator (the "**Performance Target**") was set based on the Group's annual budget for the financial year 2018, as approved by the Board. Depending on the actual amount of each such indicator, as set forth in the Consolidated Financial Statements, the calculation could either result in the variable remuneration to be nil or exceed the pre-agreed amount:

Amount of each indicator compared to the Performance Target	Result for such indicator
Less than 95% of the Performance Target	0
95% of the Performance Target	50%
100% of the Performance Target	100%
110% of the Performance Target	150%

Between such levels, a linear interpolation is applied. The average of the results of the three indicators constitute the multiplying factor to be applied to the pre-agreed amount of variable remuneration in order to determine the amount of the variable remuneration for the year.

On this basis, the Remuneration Committee compared the amount of the three indicators as set forth in the Consolidated Financial Statements to the Performance Targets and calculated the multiplying factor which, at the Group level, amounts to 26.3% for 2018.

In addition, when determining the amount of the annual cash bonus of Ms. Marty, the Remuneration Committee considered that the personal performance criteria was achieved at 100% and took into account the overall work performed by Ms. Marty in 2018 and in particular her role in the implementation of the Separation and the importance of such project for the Group. As a result, the Remuneration Committee decided to grant Ms. Marty a total bonus of €200,000 for 2018, as follows: €101,700 as performance-related annual cash bonus and €98,300 as discretionary annual cash bonus. Ms. Marty's 2018 bonus is subject to the approval of the 2019 AGM.

In the US

In the US, the 2018 annual bonuses for Altice USA's executive officers (including Mr. Goei) consisted of a formula-based award, which was based on Altice USA's financial and operational results. The 2018 formula-based award target for Mr. Goei was equal to $3,000,000, with a maximum pay-out opportunity of $6,000,000. The Altice USA compensation committee had the discretion to adjust the formula-based award for individual performance and other factors.

The formula-based award performance metrics used to determine the 2018 annual bonuses were as follows:

Performance area	**Weight**	**Performance metrics**[(1)]
Financial	33.3%	Adjusted EBITDA
Operational	66.7%	Corporate Expense
Total	**100%**	

[(1)] Corporate Expense refers to the portion of other Operating Expenses related to certain predefined departments that provide enterprise-wide administrative support to business operations (*e.g.*, executive, legal, human resources, accounting, etc.).

Based upon actual Altice USA's performance, the 2018 formula-based annual incentive awards would have resulted in Mr. Goei receiving 100% of target. Based on individual performance evaluation and reflecting the pay-out scores for other operational business unit bonus plans, the Altice USA compensation committee decided to adjust the performance factor for Mr. Goei from 100% to 80%. Mr. Goei's 2018 bonus was $2,400,000.

10. Discretionary annual cash bonus

The General Meeting of July 10, 2018 determined the remuneration of Mr. Weill, and in particular approved the grant of a discretionary annual cash bonus of up to €1 million, payable on 31 March of each year, and prorated for time for the first year. The General Meeting decided that the amount of such discretionary annual cash bonus shall be determined by the Board upon a proposal of the Remuneration Committee.

On March 28, 2019, the Board, upon recommendation of the Remuneration Committee, taking into account the results achieved by the senior management team in delivering the Group's strategy - and in particular in monetizing the Group's non-core assets and crystallizing the Group's infrastructure value - in 2018, and the personal contribution of Mr. Weill to such results and to the constant improvement of the Group's market perception in France, resolved to set the amount of the discretionary annual cash bonus of Mr. Weill at €500,000.

11. FPPS

On July 10, 2018, the General Meeting determined the remuneration of Mr. Weill to include Weill 2018 FPPSs with the following characteristics:

- granted number of Preference Shares B: 25,000,000;
- vesting period: earliest of four years from the grant date of the Preference Shares B and the annual General Meeting to be held in 2022;
- performance criteria: on the financial year ending on December 31, 2021, the Company having generated an annual consolidated EBITDA (as reported on a consolidated basis and with constant perimeter and accounting standards) equal or in excess of the projected annual consolidated EBITDA in the 4-year business plan adopted by the Company;

- number of Preference Shares B, each convertible into one Common Share A, ranging between 0% and 200% of the number of granted Preference Shares B, to be assessed at the end of the vesting period, according to a predetermined allocation key linked to performance criteria.

In addition, in connection with the Separation, the General Meeting also approved an adjustment of the terms and conditions governing Mr. Weill's existing right to acquire the Weill 2016 FPPSs, as follows:

- Weill 2016 FPPSs Tranche 1: 1,103,096 Weill 2016 FPPSs, each upon vesting convertible into one newly to be issued Common Share A as well as 0.4163 existing shares of Class A common stock in Altice USA;
- Weill 2016 FPPSs Tranche 2: 752,568 Weill 2016 FPPSs, each upon vesting convertible into a number of newly to be issued Common Shares A depending on the share price of the Common Shares A during the 5 trading days preceding the conversion request;
- a gross cash compensation of a maximum aggregate amount of $839,991.15, to be paid after the conversion of the Weill 2016 FPPSs Tranche 2 into Common Shares A.

As of December 31, 2018, 827,322 Weill 2016 FPPSs Tranche 1 and 564,426 Weill 2016 FPPSs Tranche 2 had vested.

12. Pension schemes

The Company operates no pension or retirement schemes for its Board Members or its members of senior management. It, however, makes contributions to mandatory social security schemes in the countries of employment of its Board Members and its members of senior management.

In addition, in 2018, the Group terminated its subscription to its prior LPP collective plan (*La Prévoyance Professionnelle*), subscribing to a new LPP collective plan at the end of 2018 (with retroactive effect for the financial year 2018) for all its employees, including Board Members, who are based in Switzerland. The Swiss pension system is based on three pillars: a state pension, an occupational pension and a private pension provision, the aim of which is to maintain the accustomed standard of living for the employee and his family during retirement or in the event of disability or death. The LPP collective plan corresponds to the second pillar, i.e. the occupational pension. It is very common in Switzerland and provides for extra benefits compared to the minimum requirements imposed by Swiss law. It is based on contributions from the Group as well as from the employee.

In the US, in 2018, the executive officers of Altice USA (including Mr. Goei) were eligible to participate in Altice USA 401(k) savings plan and could contribute into their plan accounts a percentage of their eligible pay on a before-tax basis and an after tax-basis. Altice USA matched 100% of the first 4% of eligible pay contributed by participating employees.