

**ALTICE N.V.**  
*with corporate seat in Amsterdam*  
Prins Bernhardplein 200  
1097 JB Amsterdam  
Trade Register Number 63329743  
(the “**Company**”)

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## **ANNUAL GENERAL MEETING**

**to be held on 28 June 2016 at 11:00 hrs CET at the Conservatorium Hotel, Van Baerlestraat 27,  
1071 AN Amsterdam, The Netherlands**

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## **EXPLANATORY NOTES TO THE AGENDA**

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### **2. Management report for the financial year 2015**

#### **a. Discussion of the Management Report, including corporate governance**

In accordance with best practice provision I.2 of the Dutch Corporate Governance Code (the “**Code**”), which applies to the Company as of 9 August 2015, material changes in the corporate governance structure of the Company and the compliance of the Company with the Code will be discussed as a separate agenda item. A comply-or-explain list with respect to the Code is available on the Company's website ([www.altice.net](http://www.altice.net)). In addition, any deviations of the Code are set out in paragraph 3.5 of the Management Report 2015.

#### **b. Explanation of reservation and dividend policy, allocation of profits**

In accordance with best practice provision IV.1.5 of the Code, the policy on additions to reserves and on dividends is dealt with and explained as a separate agenda item. In line with the Company's dividend policy, the Board has assessed the relevance of paying dividends in light of its strategy to prioritise value-enhancing acquisitions and concluded to not distribute any dividends.

#### **c. Explanation of implementation of the remuneration policy of the Board**

In accordance with Dutch legislation aimed at improving the transparency regarding the implementation of the remuneration policy, shareholders are invited to consider the implementation of the Company's remuneration policy. The remuneration policy for the Board is set out in paragraph 5.3.2 of the Management Report 2015, which includes the remuneration of the executive directors.

### **3. Proposal to adopt the annual accounts for the financial year 2015 (voting item)**

This agenda item includes the proposal to adopt the 2015 annual accounts.

**4. Proposal for discharge of liability of the executive directors of the Board (voting item)**

It is proposed to the General Meeting to discharge the executive directors of the Board in office in 2015 (including the executive directors of the board of directors of Altice S.A. in 2015 prior to its merger into the Company) from all liability in relation to the exercise of their duties in the financial year 2015, to the extent that such exercise is apparent from the annual accounts or other public disclosures prior to the adoption of the 2015 annual accounts.

**5. Proposal for discharge of liability of the non-executive directors of the Board (voting item)**

It is proposed to the General Meeting to discharge the non-executive directors of the Board in office in 2015 (including the non-executive directors of the board of directors of Altice S.A. in 2015 prior to its merger into the Company) from all liability in relation to the exercise of their duties in the financial year 2015, to the extent that such exercise is apparent from the annual accounts or other public disclosures prior to the adoption of the 2015 annual accounts.

**6. Proposal to appoint Mr Michel Combes as executive director of the Board (voting item)**

In accordance with article 16.3 of the articles of association of the Company, Next Alt S.à r.l. nominated Mr Michel Combes to be appointed as an executive director of the Board. The proposed appointment is for a term ending on the day of the annual General Meeting to be held in 2020, which is the fourth year after the date of appointment.

Mr Michel Combes (54) is a graduate of the Ecole Polytechnique and the Paris Telecoms School and was previously CEO of Alcatel-Lucent, CEO of Vodafone Europe, chairman and CEO of TDF as well as CFO and senior executive vice president of France Telecom. He has more than 25 years of experience in the telecommunication industry.

Mr Michel Combes is the Chief Operating Officer of the Altice group and the Chairman of the board of directors and Chief Executive Officer of Numericable-SFR, a subsidiary of the Company listed on Euronext Paris.

Mr Michel Combes holds 2,550 common shares A and 850 common shares B in the Company.

**7. Remuneration**

**a. Proposal to determine the annual cash bonus for executive directors for the financial year 2015 (voting item)**

It is proposed to the General Meeting to determine the annual cash bonuses for the executive directors for the financial year 2015 as follows:

- Mr Goei: €2,400,000; and
- Mr Okhuijsen: €750,000.

**b. Proposal to amend the Company's stock option plan (voting item)**

It is proposed to the General Meeting to amend the Company's stock option plan (the "SOP") in order to, *inter alia*:

- reflect more accurately the way the Company intends to implement the SOP;
- reduce the period for calculating the exercise price to 30 days;
- modify the definition of good leaver and bad leaver to align them with market practice; and
- clarify the mechanism for the settlement of the stock options.

A full version of the draft amended SOP is available at the offices of the Company in Amsterdam and on the Company's website ([www.altice.net](http://www.altice.net)).

**c. Proposal to adopt a long term incentive plan (voting item)**

It is proposed to the General Meeting to adopt a new long term incentive plan (the "**Long Term Incentive Plan**"), the terms of which will be substantially the same as those of the SOP, as amended under Resolution 7.b above, except for the vesting period (100% on the third anniversary of the grant date).

The new Long Term Incentive Plan will mainly be used to grant stock options to participants under the SOP whose stock options have partially vested.

A full version of the draft Long Term Incentive Plan is available at the offices of the Company in Amsterdam and on the Company's website ([www.altice.net](http://www.altice.net)).

**d. Proposal to amend the remuneration policy of the Board (voting item)**

It is proposed to the General Meeting to amend the Board's Remuneration Policy to (i) reflect changing circumstances and to (ii) provide that executive directors may also be granted stock options under the new Long Term Incentive Plan.

A full version of the draft amended Remuneration Policy (the "**Proposed Amended Remuneration Policy**") is available at the offices of the Company in Amsterdam and on the Company's website ([www.altice.net](http://www.altice.net)).

**e. Proposal to amend the remuneration of Mr Patrick Drahi (voting item)**

*This agenda item shall only be put to a voting if agenda item 7.d is adopted.*

It is proposed to the General Meeting to amend the remuneration of Mr Patrick Drahi as follows:

- grant of 755,287 stock options under the new Long Term Incentive Plan, once adopted by the General Meeting, with an exercise price of € 13,24 and a start of the adjusted vesting period on 31 January 2016; and
- grant of units under the proposed carried interest plan to be put in place by the Altice group in the United States (the "**Proposed Carried Interest Plan**"), such units representing approximately 0.2% of the funds invested by the shareholders in Cequel and Cablevision (assuming that the acquisition of Cablevision closes before the date of the General Meeting).

A description of the Proposed Carried Interest Plan is available at the offices of the Company in Amsterdam and on the Company's website ([www.altice.net](http://www.altice.net)).

**f. Proposal to amend the remuneration of Mr Dexter Goei (voting item)**

*This agenda item shall only be put to a voting if agenda item 7.d is adopted.*

It is proposed to the General Meeting to amend the remuneration of Mr Dexter Goei as follows:

- grant of 755,287 stock options under the new Long Term Incentive Plan, once adopted by the General Meeting, with an exercise price of € 13.24 and a start of the adjusted vesting period on 31 January 2016; and
- grant of units under the Proposed Carried Interest Plan, such units representing approximately 0.2% of the funds invested by the shareholders in Cequel and Cablevision (assuming that the acquisition of Cablevision closes before the date of the General Meeting).

A description of the Proposed Carried Interest Plan is available at the offices of the Company in Amsterdam and on the Company's website ([www.altice.net](http://www.altice.net)).

**g. Proposal to amend the remuneration of Mr Dennis Okhuijsen (voting item)**

It is proposed to the General Meeting to amend the remuneration of Mr Dennis Okhuijsen as follows:

- a fixed remuneration of € 160,000 as CFO of the Company, as provided for in the Proposed Amended Remuneration Policy;
- a fixed remuneration of € 190,000 for services rendered to the Company's subsidiaries, as from 1 January 2016; and
- a variable remuneration of up to € 350,000.

**h. Proposal to adopt the remuneration of Mr Michel Combes (voting item)**

*This agenda item shall only be put to a voting if agenda item 7.d is adopted.*

It is proposed to the General Meeting to adopt the following remuneration of Mr Michel Combes:

- a fixed remuneration of € 150,000 as COO, as provided in the Proposed Amended Remuneration Policy, as from his appointment as executive director of the Board;
- a fixed remuneration of € 450,000 under his employment contract for services rendered to the Company's subsidiaries, as from his appointment as executive director of the Board;
- a variable remuneration of up to € 1,000,000; and
- a grant of 294,120 free preference shares B, which will vest on the fourth anniversary of the date of grant and will, upon vesting, be converted in an equal number of common shares A.

**8. Authorisation of the Board to acquire own shares (voting item)**

It is proposed that the General Meeting authorises the Board for the statutory maximum period of 18 months, commencing on 28 June 2016, to acquire shares in its own capital, subject to the following conditions and with due observance of the law and the Company's articles of association:

- (i) the maximum number of shares which may be acquired is 10% of the issued share capital of the Company and at any time during the period of authorisation;
- (ii) transactions must be executed at a price between the nominal value of the shares and 110% of the opening price at Euronext Amsterdam N.V. at the date of the acquisition;
- (iii) transactions may be executed on the stock exchange or otherwise.

**9. Proposal to cancel shares the Company holds in its own capital (voting item)**

Pursuant to the current article 32.2 of the Company's articles of association, it is proposed to the General Meeting to cancel any common shares A and common shares B in the share capital of the Company held by Company. The cancellation may be executed in one or more tranches. The number of shares that will be cancelled (whether or not in a tranche) shall be determined by the Board. Pursuant to the relevant statutory provisions, cancellation may not be effected earlier than two months after a resolution to cancel shares is adopted and publicly announced; this will apply for each tranche.

**10. Proposal to amend the articles of association (voting item)**

It is proposed to the General Meeting to amend article 32.2 of the articles of association of the Company. Article 32.2 (f) requires inclusion of the proposal to cancel common shares B and/or other shares the Company holds in its own capital as an agenda item at the annual general meeting. The amendment of the articles of association would replace the current article 32.2 (f) with a more general authorisation of the Board to cancel all classes of shares at its own discretion as an agenda item for the annual general meeting.

A full version of the draft proposal of amendment of the articles of association and explanatory notes is available at the offices of the Company in Amsterdam and on the Company's website ([www.altice.net](http://www.altice.net)).