



Annual report VodafoneZiggo 2019

Connect to the future

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Strategy and Results

Our Strategy

2019 was VodafoneZiggo's third year in existence, and an incredible number of things have been achieved in this time. We have one collective goal, one strategy and one set of shared values. Our customers are reaping the benefits of the Vodafone and Ziggo merger. The number of regular customers purchasing a converged package grew by 286,000 to 1.3 million households. The number of mobile customers purchasing a converged package grew by 541,000 to 2 million customers. Those customers are considerably more satisfied than when using our respective products alone. Our network is among the best in Europe and we're ready for the digital future. We can look back on 2019 with satisfaction. Once again, we achieved great results. In a highly competitive market, turnover was up, operating profits (OCF) grew^[1] and customer satisfaction improved. Taken together, this is proof that our strategy is still the right one.



'The merger of Vodafone and Ziggo is a resounding success, as our results in 2019 show. To continue to exceed customer expectations, we are going to work even more efficiently and more digitally. We will also continue to take our responsibility as a driving force behind the digital society. The boundless dedication of our employees makes all this possible.'

Jeroen Hoencamp
CEO

We deliver added value to our customers by focusing on our objective: enjoyment and improvement with each connection. The promise we make to our customers is that they can always expect excellent products and an even better customer experience from VodafoneZiggo. To fulfil that promise, we have founded our actions on four strategic pillars:

Keeping the Customer Promise

The customer is the point of departure and the ultimate destination of everything we do as a company. We endeavour to attract new customers, but at the same time we give our existing customers the attention they deserve. The customer and customer experience are integral to our decision-making. We introduce new products and services only when we're satisfied that they will be appreciated by the customer.

Read more about [keeping the customer promise](#)

Digitisation

For VodafoneZiggo, digitisation is the most effective way to achieve further growth and to remain successful. We therefore adapted our strategy in 2019, making digitisation one of our strategic pillars.

Read more about [digitisation](#)

Creating Fantastic Products

As a provider of fixed and mobile network services, we have a strong market position in the Netherlands and are relevant to our customers. We therefore regularly introduce new products to the market and endeavour to make our existing products grow, such as our [combined provision of fixed and mobile services](#), the new Mediabox Next, Ziggo GO, the Wifi Power Promise and [Internet of Things](#).

Read more about [our products and services](#)

Investment in the Future

We have an outstanding fixed and mobile network. And we work continuously to improve these networks. We shall continue to invest in the coming years to ensure that our networks are distinct, better and reliable. Examples in this respect include technologies such as [DOCSIS 3.1](#) for cable and [5G](#) for mobile.

Read more about [investment in the future](#)

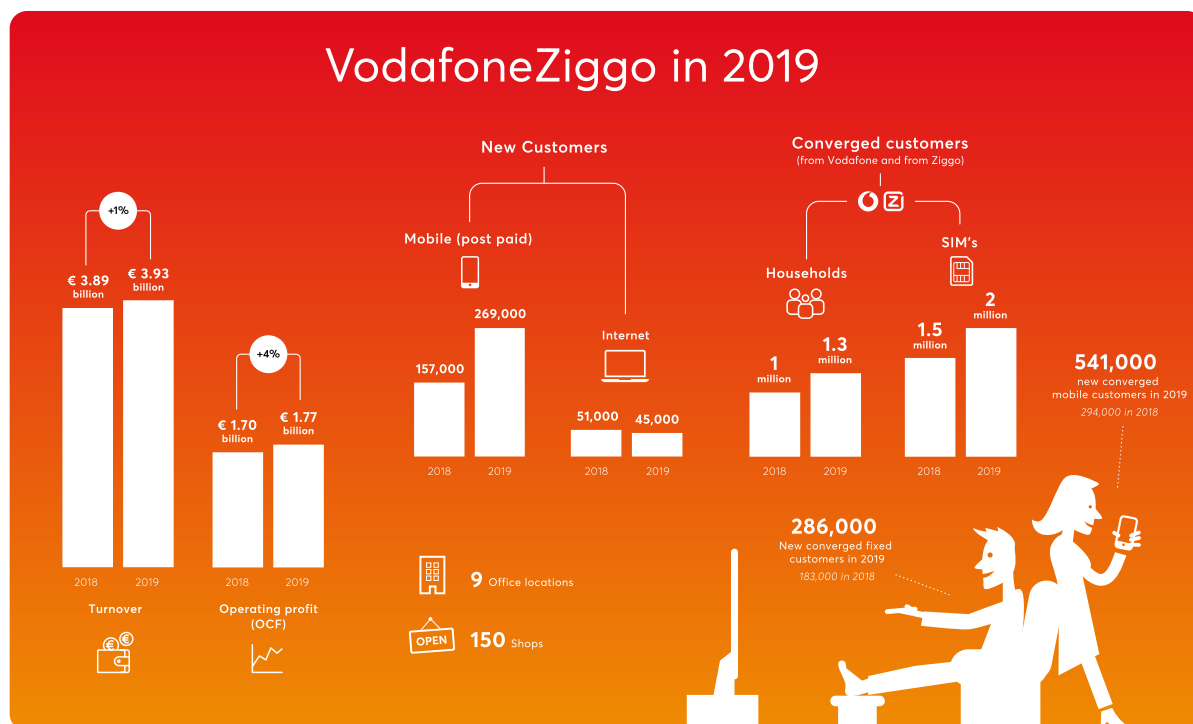
We can only prove our strategy thanks to the efforts of our people:

Our people are our greatest capital. Thanks to them, we perform well. We are proud of our motivated colleagues. That is why we continuously invest in them. So that they enjoy their work and go that little bit further for our customers. At the same time, we are continuously streamlining our organisation so that we can bring out the best in our people and deliver the best service to our customers, now and in the future.

Read more about [our people](#)

[1] OCF (Operational cash flow / operating profit) is used by management as a benchmark to evaluate the operational performance of our company. OCF is defined as operating income before depreciation, share-based payments, provisions and provisions related to significant legal disputes, impairments, restructurings and other operating items. Management believes that OCF is a meaningful measure because it provides insight into our continuous operating performance, which is not affected by our capital structure. For the full definition of OCF, please refer to footnote two in the [financial press release](#) published on February 13, 2020

Our Results



2019 was good year for VodafoneZiggo. Our turnover found its way back onto the path of growth, while we managed to reduce our costs. As a result, the operating cash flow (OCF) increased 4% compared to the previous year.

Strategic focus on satisfied customers

The main focus in our strategy over the past two and a half years is that we have concentrated on offering our customers a combination of Vodafone and Ziggo products. We notice that when customers purchase a combined Vodafone and Ziggo subscription, this leads to higher customer satisfaction and a lower customer reduction. The reduction of customers who purchased a combined product was approximately 75% lower at the end of 2019 compared to customers who only purchased a Vodafone product. As a result, the average customer turnover in 2019 was historically low for both business and private customers, proof that our strategy works.

In addition to our customer-base increase, we saw an increase in customer satisfaction. The Net Promotor Score (NPS), an indicator of customer satisfaction, was higher than ever among our business customers. Vodafone showed an average increase in NPS of +8, Ziggo of +3 and hollandsnieuwe of +12. An improvement in our NPS means that more customers are satisfied with our products and services. This means a lot to us considering we work hard every day on our customer promise: 'enjoyment and progress with each connection'.



"We further improved our financial and commercial momentum in 2019. Our operating profit, turnover and customer satisfaction grew. I am proud of this. We continue to invest heavily in our fixed and mobile networks, so that we can keep the Netherlands a leader in the future with 5G and Gigabit internet."

Ritchy Drost
CFO

Growth

The increase in turnover is the result of the proper implementation of the aforementioned strategy, which means that our customer base is steadily increasing. In 2019, growth in the number of existing and new customers who purchase Vodafone, Hollandsnieuwe and Ziggo products continued. We added 286,000 households and 541,000 SIM cards (customers are able to purchase multiple SIM cards from us) to a total of over 1.3 million households and 2 million mobile SIMs. At the end of the year, 40% of our Ziggo customers also had a mobile subscription with Vodafone and 74% of our Vodafone customers in the consumer segment owned at least one TV and internet product from Ziggo.

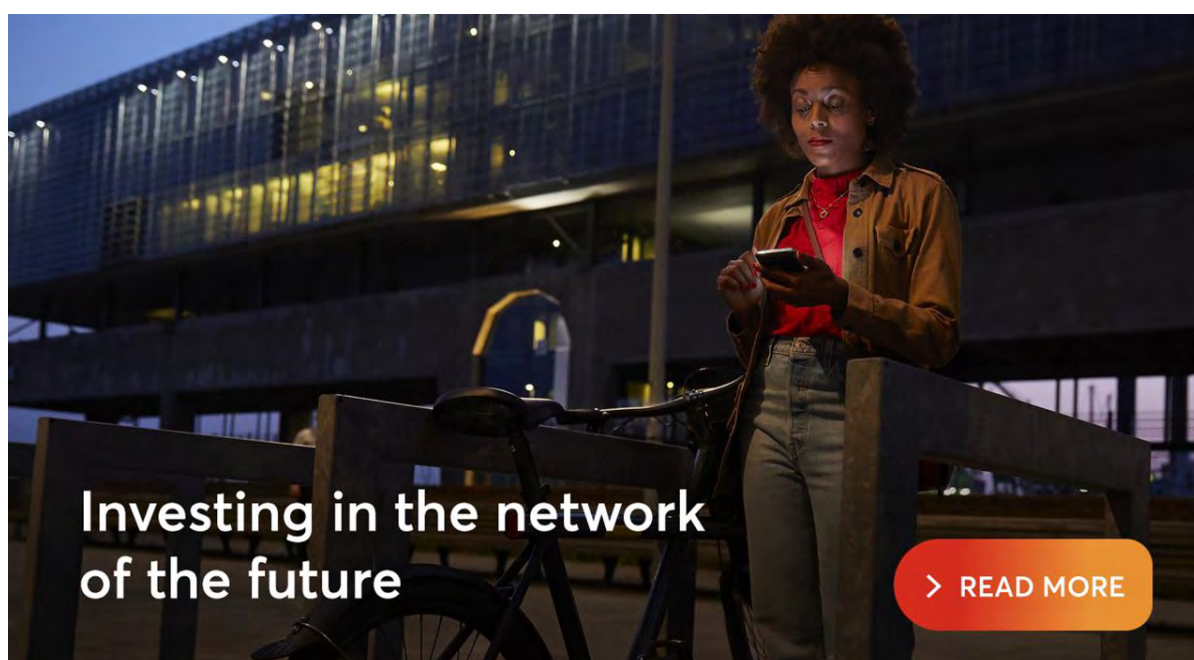
Commercially, 2019 was a successful year. The number of customers with a mobile subscription increased by 269,000. The number of households that purchased internet services increased by 45,000. The total number of new Ziggo, Vodafone and hollandsnieuwe customers with a subscription was 237,000. This is double compared to the previous year. Despite the constantly competitive market environment, we have been able to gain market share and thereby achieve turnover growth. Total turnover in the consumer and business market increased by 1%.

Technological progress

With the rollout of superfast gigabit internet, VodafoneZiggo is taking a major step in its ambition to prepare the Netherlands for the digital future with **GigaNet** (Vodafone and Ziggo's high-performance network). Customers who are connected are able to download at speeds of up to 1 Gigabit per second. Our aim is to make a 'gigabit without digging' available to all our customers throughout the Netherlands in 2021. We believe that a vital digital infrastructure is oxygen for our society and the Dutch economy, which is why we are continuously building the network of the future.

We want the best for our customers and therefore invest a lot in new technology. In 2019, for instance, we launched the Mediabox Next, the video platform of the future. At the close of 2019, some 347,000 customers were already using the **Mediabox Next**. In 2019, we also opened a 5G Hub in Eindhoven where, together with our partners Ericsson, Brainport Development and the High Tech Campus, we give companies, startups, institutions and students room to guide their 5G innovations from idea and research into practice.

Looking at our long-term investments, over the year we have invested 20.1% of our sales or € 793.2 million in the maintenance, improvement and expansion of our fixed and mobile network. With our Giganet, we can continue as a pioneer in the Netherlands for many years. It is essential that we also invest in the quality of our networks and services for the long term and therefore also expect to reinvest between 19% and 21% of our turnover in 2020 in our products and our services to our customers, making them even better.



Costs and Synergies

Cost levels declined in 2019, mainly due to a continuous focus on simplifying processes and IT systems, while at the same time focusing more on digitization to optimize services to our customers. The merger of Vodafone and Ziggo is still resulting in synergy benefits. At the end of 2019, we achieved approximately 85% of the targeted cost benefits of € 210 million. An example of this is that we have simplified and reduced our total product price plans by 99% to less than 300. Our organisation has been designed even more efficiently and we are better able to serve our customers at lower costs.

Owing to favourable financial market conditions, we refinanced € 5.2 billion of our bonds and term loans in 2019, achieving interest benefits and extending the average maturity of our loans.



**Delivering on the customer
promise**

Strategy and Results

Putting the customer at the centre of everything we do. That is the promise that we make to our customers and that we intend to fulfil with each new day. It means that we listen carefully to our customers and that we develop new products and services together. We intend to meet their expectations and preferably exceed them.

It seems so obvious: making the customer central. But it can always be improved and tweaked. The customer should be the point of departure in every decision we take and everything we do. We are developing several initiatives to this end, such as:

The Customer in Our DNA

We want to be an attractive employer so that we can attract and hold on to the best people. It is essential that the customer is central during the recruitment and training of our employees, so that this will also be expressed in their actions.

Existing Customers First

By responding adequately to the needs of existing customers, they will remain our customers longer and purchase more services. Fixed and mobile customers can, for instance, reap the benefits of our bundled propositions with extras.



We are committing fully to digitisation, artificial intelligence, big data and self-learning algorithms. Artificial intelligence provides our customer service with an enormous boost. By combining the strength of chatbots with our experts, we deliver the best possible service. Our Virtual Assistant predicts answers customers need based on all the live chats of the past two years, but it can also imitate the 'writing style' of every helpdesk expert. So that each expert has their own little robot-helper, as it were. By uniting the strengths of brains and bots, we can make the difference between 'good' and 'great'.

Robin Clements

Executive Director Customer Operations

Key Figures

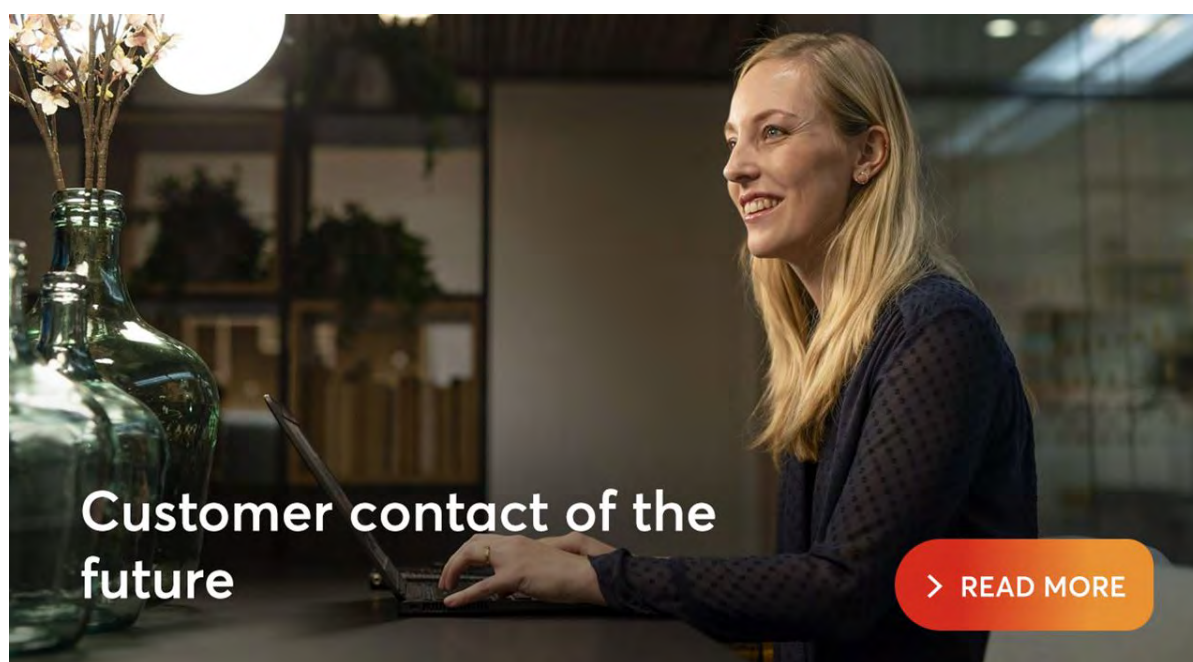


Customer Experience

Times are changing and our customers are changing with them. They are more aware of what they want and more critical than ever. They inform themselves online and compare VodafoneZiggo with other organisations, both within and outside the telecom sector. This critical attitude keeps us on our toes and ensures that we continue to develop to satisfy their wishes. Colleagues from different departments work together to provide the best possible service to our customers - from marketers and network technicians to engineers and customer service staff.

The Customer Experience (CX) department supports the departments in this, using surveys about customer experiences, for instance. We translate the results of these surveys into our processes, products and services. One of the ongoing programs at CX is Future of Conversation. Here, together with colleagues, we look at how customers want to maintain contact with us in the future and how we can prepare for this.

Based on these studies, we know, for example, what the most suitable contact moments are to use a chatbot and we created the **My Ziggo-app**, which we launched at the end of 2019. We are currently developing a number of CX principles that make it possible to measure the customer experience even better. We apply these principles when developing and adapting each service and each product, in order to give our customers the same experience everywhere and always.



Customer contact of the future

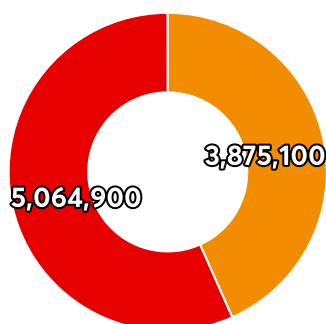
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Customer Journey

To gain a good insight into the experiences that our customers have with VodafoneZiggo, we bring their customer journey into focus. That means that together with them we look step by step at what takes place in certain processes. What happens, for example, from the moment they consider their options in purchasing a product? Or what do they experience when they contact our customer service? Based on these experiences, we keep adjusting the customer journey to offer our customers the best possible experience. Beyond that, we use more and more data to get the customer journey in focus and, for example, to predict cable damage or to replace parts in our street cabinets on time.

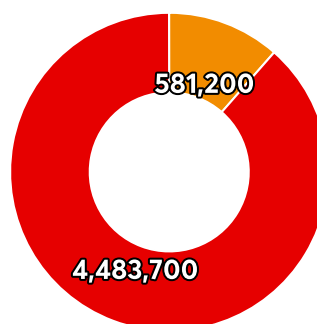
Among other things, this resulted in the **Ziggo WiFi Assistant** app and **Vodafone Flex**.

Customers fixed and mobile



● Customers fixed
● Customers mobile

Number of simcards



● Number of sims prepaid
● Number of sims postpaid

Improving Customer Experience

We're working hard on making the customer experience increasingly better. We do this in various ways.

EXPERIENCE CENTRE

In the Experience Centre, we use innovative techniques to create a picture of the current and future needs of our customers. We test new concepts together with customers and employees. Together, we examine the opportunities of digitisation and the role our network can play for our customers in this respect. We then determine, in consultation with customers, which products and services offer the best solution to what they seek. We also make extensive use of the knowledge and experience of our parent companies Liberty Global and Vodafone Group.



FIXED IMPROVEMENT

In 2018 we started the Fixed Improvement program to take the services we offer through our fixed network to a higher level. We followed up on this in 2019, which resulted in a number of improvements for the four million Dutch household and business customers that use our internet and video services:

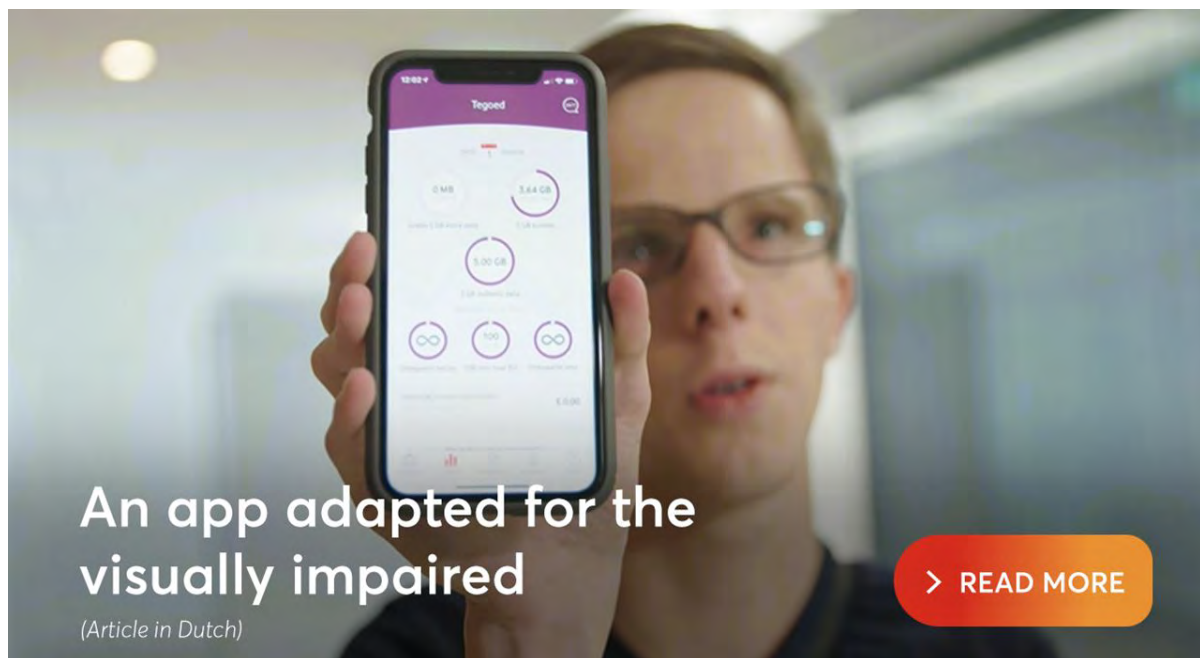
- The improved performance and greater stability of our network led to a significant reduction in the number of customers experiencing problems with the products and services on our fixed network. This was due in part to the update of our modems and media boxes. This resulted in higher customer satisfaction.
- Since the quality of our fixed network increased, fewer customers needed support from our customer service and technicians. As a consequence, we reduced the number of customer contacts this year by more than 500,000.

- The increase in internet speed that 2.5 million customers received from us was a reason for many of them to remain customers of VodafoneZiggo. We supported the speed increase with the national campaign '*Snel kan altijd sneller*' (Fast Can Always Be Faster).

INNOVATION

Through upgrades and innovation we get more out of our networks, so that our customers benefit from greater bandwidth and faster data traffic. We are retiring outdated equipment and simplifying our portfolio. We are, for instance, significantly reducing the number of IT platforms, replacing obsolete broadband modems and upgrading our media boxes. We are introducing new products like the **Mediabox Next** we launched in 2019, and we are offering special services, such as an app for the visually impaired.

Read more about **Innovation** in this annual report.



With our GigaNet on the one hand and the advent of gigabit speeds on the other, the benefits to customers who purchase fixed and mobile services are accumulating. The integration of the Vodafone and Ziggo networks created a much more efficient network. Utrecht is the first city in which we introduced 1-gigabit fixed-network speeds through the network. At least half of the 7.2 million households connected to the Ziggo network will be able to benefit from gigabit speeds by the end of 2020. Gigabit internet is particularly suitable for watching films, streaming, gaming and virtual reality without the briefest interruption.

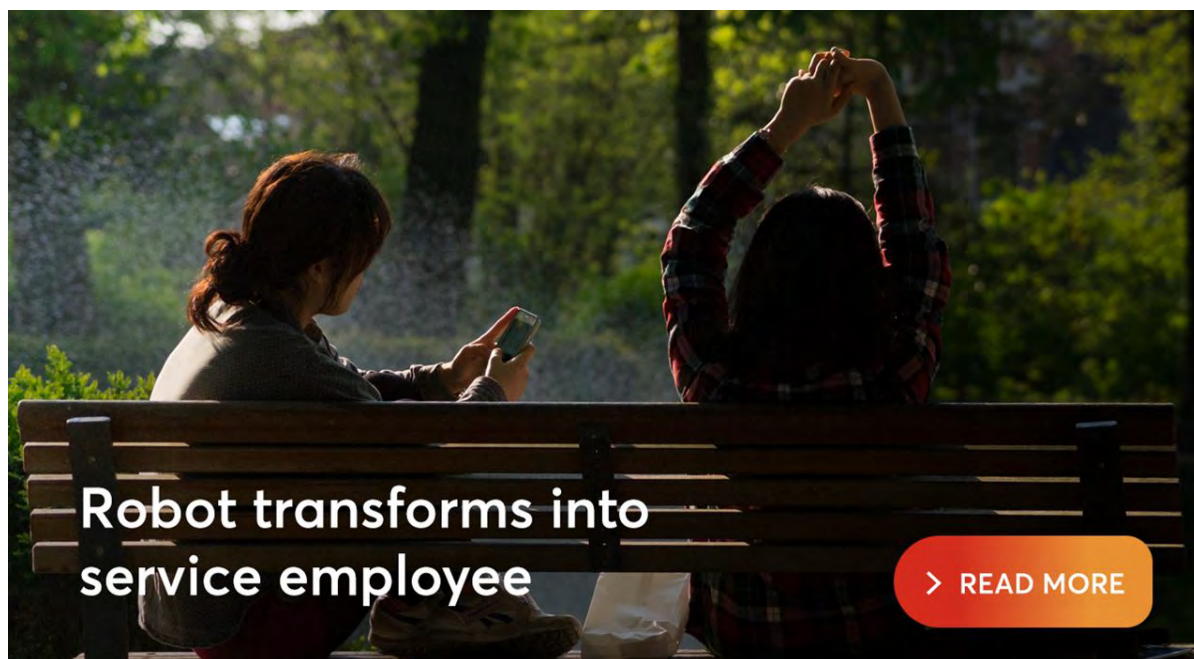
Read more about our **Gigabit network** in this annual report.

Customer Contact

In recent years, contact with our customers has shifted increasingly to online channels. Customers like to sort things out for themselves. They can do so online, where they are - for the most part - in control themselves. They can adjust their data plans, for instance, view their usage data, purchase subscriptions or schedule an appointment with a technician.

Although we still receive plenty of emails and phone calls, 20% of our customers get in touch through new media such as chat, WhatsApp, Twitter and Facebook. Social media has radically changed the nature of customer service, making it faster, easier and more accessible.

Owing to the shift to online channels, we're making better use of the opportunity the digital world holds. Customer service employees see recommendations appear on their screen about the customer with whom they are speaking. In some instances, the computer can make predictions, which is useful to the customer, for instance when s/he is about to run out of data included in their data plan. Customers receive help from a chatbot, a computer program that provides answers to questions. Customers can receive help from our chatbot, a computer program that provides answers to questions. The advantage of chatbots is that we can help customers 24/7 and help more customers at the same time, resulting in shorter waiting times, or none at all.



Although a chatbot cannot answer all of our customers' enquiries, it can answer the most common questions. For more complex or customer-specific questions, the customer is automatically put through to one of our employees. This places different demands on our service employees. The employee of the future has good social skills and thorough knowledge of a subsector.

Read more about [developing our employees](#) in this annual report.



Customer Satisfaction

As a trend-setting technology company, we want to lead the way in terms of service experience. We believe that customers should experience our service as personal, fast and effective. We all do our utmost to achieve this, but of course we want to know whether our efforts are fruitful. To find out, we measure the satisfaction of our customers w.r.t.

- the customer journey
- our products
- our brands

	2019
Net Promotor Score (NPS) Vodafone	+8
Net Promotor Score (NPS) Hollandsnieuwe	+12
Net Promotor Score (NPS) Ziggo	+3

Privacy

VodafoneZiggo has a major responsibility for the protection of customer data and for safeguarding the confidentiality of communication. This goes beyond compliance with laws and regulations. The success of our company is highly dependent on the trust that customers have in us. They must be sure that we treat their personal data responsibly. Protecting privacy is therefore a structural part of our policy and plays an important role in the choices we make.

A special privacy team ensures that our customers' data is safe. Our privacy policy complies with the rules of the General Data Protection Regulation (GDPR). In our [privacy statement](#) we inform our customers extensively about how we handle personal data.

Customer Data Belongs to the Customer

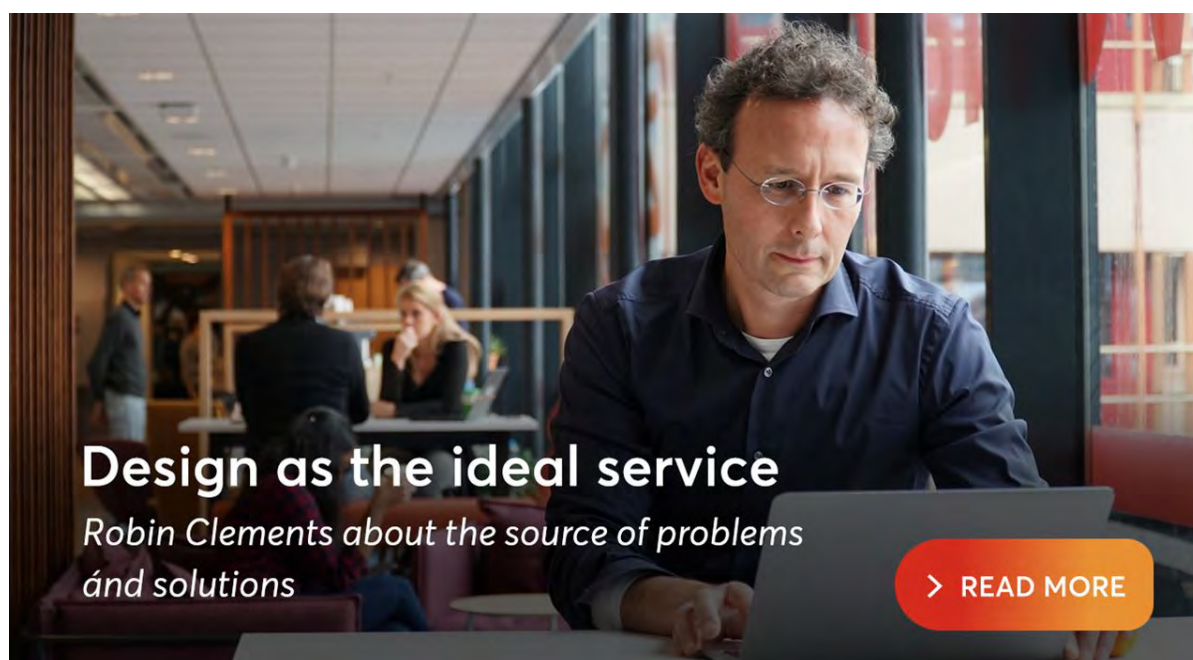
Telecom providers are forbidden by law to view the content of calling, texting and internet traffic. Naturally, we abide by the law. The content of conversations, messages and data files therefore remains classified. What we can do, however - with the explicit permission from customers - is to make targeted offers based on usage, interests and demographics. We can recommend a data plan based on a customer's usage data of the past months, for instance. Needless to say, we do not share personal data with others without permission. We are, however, obliged by law to cooperate in the case of a request for information from a government agency.

PRIVACY DASHBOARD

Our customers and our employees have access to a 'privacy dashboard', a secure online environment in which they can see what information we record about them. They can make a data protection request, change their contact details, change permission-for-use-of-data settings or request that their data be removed. We received an average of 1,000 data protection requests per month from customers who wanted to know what personal data we recorded about them. In response to customers' enquiries and additional requests, we regularly update and improve the 'privacy dashboard'.

Big data

VodafoneZiggo uses data to gain knowledge and insight into the performance and use of services and products with a view to better and more swiftly helping customers. The idea is, after all, that the best service we can offer customers is 'no service needed'. That means making our services and products so good that everything works as customers should expect it to work.



Design as the ideal service

*Robin Clements about the source of problems
and solutions*

[> READ MORE](#)

What we do, for instance, is monitor the use of services so that we can predict when certain network equipment or other devices can be expected to fail. As a result, we can better anticipate and prevent outages by taking pre-emptive measures. Moreover, we gain insight into factors that contribute to a less pleasant customer experience, such as poor WiFi reception. Using this information, we have developed new services with which customers can measure WiFi range in their homes. Upon customer request, we can also investigate remotely what the cause of an outage may be.

In all these examples, we guarantee the confidentiality of customer data by processing anonymous data as much as possible. We do not make personal data available to employees who do not need it to perform their duties. Internal reports can therefore not be traced to individuals. Whenever we do require information on individual data traffic, we request the customer's permission.

Children

When it comes to privacy, children are a particularly vulnerable group. We take this into account in our policies and marketing activities. We only enter into contracts with individuals of at least 18 years of age and our marketing efforts only target customers of at least 18 years of age. In our **Online Masters** teaching program, we teach children the meaning of privacy and how to safely use apps and surf the Internet.

Product Design

VodafoneZiggo also takes privacy into account when designing new products and services. Employees must test new projects, systems and applications in advance for privacy risks, so that they can take measures if such risks exist. This is mandatory according to privacy legislation. They use an online privacy management tool, which allows them to easily check for privacy issues. In 2019, employees tested more than 100 new initiatives in this way. When teams come up with new applications with an existing data set, they have their idea tested by our Data Usage Board. The board comprises a group of internal experts who meet every two weeks to determine the conditions under which the teams can continue to develop their ideas.

Privacy Course

We regularly circulate memos among staff concerning matters of privacy and security. Almost everyone did an e-learning module about privacy in 2019. In addition, we also provided a tailored course to 500 employees who play an important role in personal data processing. They learned how privacy legislation works and what it means for their work. We have appointed approximately 50 'Privacy Champions', who have been trained to help their colleagues with privacy issues and answer their privacy-related questions. The Privacy Champions will get every opportunity to learn more in 2020, and to gain **IAPP** accreditation through e-learning.

- More than 500 people were given a tailored course in privacy - employees who perform important roles in the processing of personal data.
- About 50 have been trained to become a Privacy Champion. They are the first point of contact for colleagues with questions about privacy.

Privacy Incidents

If something goes wrong with the protection of someone’s personal data, we report this to the Dutch Data Protection Authority (Dutch DPA) immediately. If an incident has adverse consequences for customers, they are informed as soon as possible. We also inform them about what we are doing and what they can do to minimise any consequences. Customers with complaints can go to our customer service, or contact our Privacy Office directly. If customers disagree with our response, they can file a complaint with the Dutch Data Protection Authority. This body then takes up the matter with our Data Protection Officer.



	2019	2018
Number of successfully completed data requests from the organization	100	n/a
Complete Data Protection Impact Assessments (DPIA)	60	n/a
Privacy by Design assessments done (PIAs)	40	n/a
Supplier Security & Privacy Impact Assessments (SSPAs)	30	n/a
In the Processing Register (according to Art.30 GDPR obligation)	140	n/a
Percentage of employees who have followed privacy e-learning	500	n/a
Employees with a higher privacy risk who have followed additional training	79%	n/a

Security

We want our customers to be confident that their data is 100% secure at VodafoneZiggo. That's why we take every effort to guarantee their security and privacy, for example by providing training to our employees, organising security campaigns and making security an integral part of product development.

Security Teams

The responsibility for the protection of customer information lies with our security teams. These teams take care of the security of our customer systems, applications, data centres, IT infrastructure, and the services to our customers and organisation. The teams receive support from Vodafone Group and Liberty Global. The Cyber Defence Operations departments oversee VodafoneZiggo's infrastructure and online activities - seven days a week, 24 hours a day. They report any incidents immediately. The VodafoneZiggo security teams work with them to identify potential threats and resolve any problems. The teams continuously carry out tests and risk analyses, predicting and detecting potential hazards to our employees and systems. We incorporate the safety aspects into every new product or idea that we work on. Internal security experts advise our employees on the development of new products and services.

Fraud and Misconduct

A group of security specialists is responsible for protecting our customers against fraud and abuse. They detect phishing, malware and other forms of (potential) identity fraud. In addition, VodafoneZiggo has a team that works to prevent *internal* fraud, theft and misconduct. We employ a zero-tolerance policy and impose disciplinary measures on employees or suppliers found guilty of fraud. In serious cases, we gather evidence against the persons in question so that we can take disciplinary or legal action against them. If deemed necessary, we inform the police and other relevant authorities.



Law Enforcement

Dutch law obliges all telecom providers to share information about specific customers if they are under suspicion of criminal or terrorist activities. We only share information about customers if we are legally obliged to, or if we receive a court order instructing us to do so. With the increased terrorist threat, the balance between privacy and security continues to be the subject of debate in the Netherlands. We urge the government to make effective monitoring possible in the case of such activities. Vodafone Group publishes a regular [report on law enforcement](#) with a country-by-country approach.

Health

Security, health and wellbeing form an integral part of our corporate culture. All employees are familiar with our security rules. These rules ensure that employees are able to recognise risks and take responsibility for their own safety and that of others. In this way, we try to reduce health risks and the risk of accidents to every employee. Colleagues who make business trips use 'TravelTracker'. This app ensures that VodafoneZiggo and its employees can always reach one another, especially in crisis situations. In the event of an emergency, we quickly know whether our people are safe and can provide them with important local information.

Internal Guidelines and ISO 27001

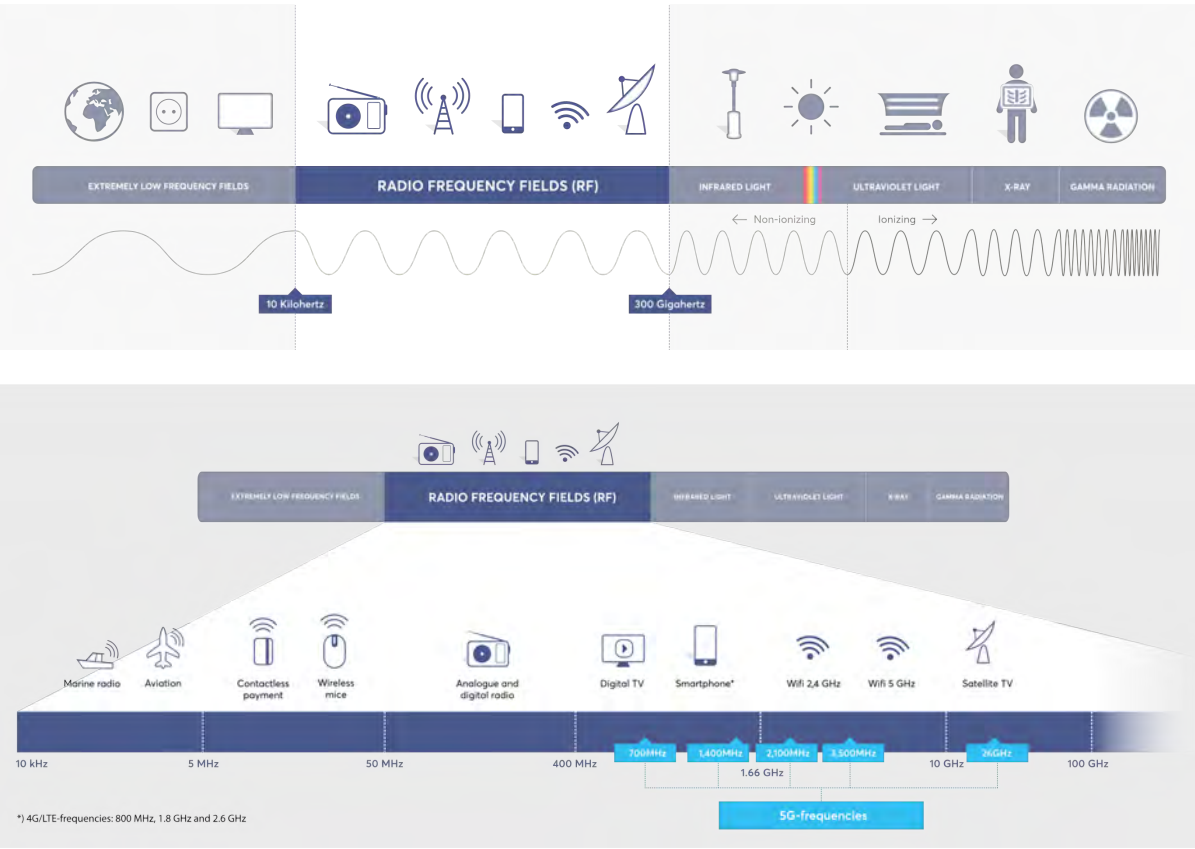
Voor de bescherming van informatie houden we ons aan internationale richtlijnen en lokale wet- en regelgeving en volgen we *best practices* in de sector. Sinds 2017 hebben we een certificering voor ISO 27001, de internationale standaard voor informatieveiligheidsmanagementsystemen. Alle collega's, het management en andere betrokken partijen zijn verplicht om gebreken of verstoringen van de beveiligingsmaatregelen te melden. Ook zijn ze verplicht een melding te maken als ze onwettige openbaarmaking van gevoelige of vertrouwelijke informatie ontdekken.

Training

Every VodafoneZiggo employee attends a training course on subjects such as bribery, fraud and unsafe behaviour. They do so shortly after starting employment and then every year. Both internally and externally, we conducted campaigns to make people aware of the security risks that exist online or in the workplace. We feel that we have a responsibility to educate different groups in society about online behaviour, such as the elderly and young people. The subject of security, for instance, is integral to our [Welkom Online](#) teaching programme for people who have rarely or never been online.

Mobile Phones, Antennae and Health

We want our products and services to be safe and our customers to use their mobile phones and wireless devices without worry. VodafoneZiggo understands concerns among a small group of people surrounding the health effects of electromagnetic radiation from mobile phones, Wi-Fi and antennas. We operate within exposure limits for electromagnetic fields and cooperate with a number of different organisations on education about the matter, including ministries, municipalities, and public health organisations.



Examples of equipment that uses radio waves

Research

VodafoneZiggo supports independent scientific research into the possible effects of electromagnetic radiation. For this reason, we make data available for research into its possible long-term effects. The international **COSMOS** research project is being conducted over a period of 30 years. In the Netherlands, the research is being carried out by the University of Utrecht. A sample of random measurements made by the government show that radiation from our networks and equipment is well below the permitted international norms (for more information, see the central government website antennebureau.nl).

Cooperation and Information

VodafoneZiggo cooperates with parties such as **Kennisplatform EMV** (Knowledge Platform), GGD (Regional Health Service), **Antennebureau** (Antenna Agency), Agentschap Telecom (Telecoms Agency), municipalities and governments to inform the public about mobile phones, antennae and health aspects. Together with other telecoms providers, we inform the public about electromagnetic radiation and related subjects through the trade association **Monet**. Monet has developed guidelines and methods in order to establish that our base stations comply with the exposure limits.

In October 2019, The Ministry of Economic Affairs and the Climate (EKZ) organised seven round-table conferences on the subject of 5G. More than 200 municipal civil servants took part alongside representatives of Monet (on behalf of the mobile operators), **NLconnect** (on behalf of the terrestrial operators), individual operators (including VodafoneZiggo), GGD, Kennisplatform EMV, Antennebureau, Vereniging van Nederlandse Gemeenten, the provinces and the Ministry of the Interior and Kingdom Relations (BZK). Participants discussed with municipalities how they intend to create the new digital infrastructure in the Netherlands, how they are preparing for it and the opportunities it will bring. Indeed, the municipalities play an important role in the creation of the 5G infrastructure. They create local policy relating to the installation of antennae and laying of cables, whereby they take into account the concerns of some citizens surrounding the increase in the number of antennae and the effects of the radiation from antennae. The discussions have led among other things to more than 40 requests from municipalities for further discussion with

telecoms providers about the installation of antennae. Further round-table conferences are on the agenda for 2020. The Ministry of the Interior and Kingdom Relations is informing Dutch municipalities and encouraging them to prepare for the digital future. Please find more information at overalsnelinternet.nl.

Antennae

We aim to create a high-quality network with nationwide coverage, so that everyone is easily reachable everywhere. In building and maintaining this network, we try to minimise any inconvenience to local residents. Cooperation with other parties is key to these efforts. In 2002, the telecoms sector entered into an Antennae Covenant (*Antenneconvenant*) with the government. It stipulates the conditions for the installation of antennae systems for mobile communications of up to five metres in height. One of the most important conditions is that operators remain within the exposure limits set by the International Commission on Non-Ionizing Radiation Protection ([ICNIRP](#)). Together with other providers, we are united in [Monet](#). This organisation coordinates the installation of antennae with the authorities and - together with us - engages with communities if there is unease about the installation of masts.

Mobile Phones

The power of radio waves from mobile phones is very small (maximum 0.1 to 2 watts). According to the World Health Organization of the United Nations, there is [no scientific evidence](#) that shows that the use of mobile phones is harmful.

5G

With the introduction of the 5G network, health issues are receiving our full attention. During our experiments with 5G, Agentschap Telecom (telecoms regulatory body and part of the Ministry of the Interior and Kingdom Relations) and TU Eindhoven look over our shoulder and perform independent research into radiation. [Measurements by the Agentschap Telecom](#) show that the radiation from 5G has the same values as 3G and 4G and therefore falls well within the international limits.



Mobile telephones, Antennas and Health

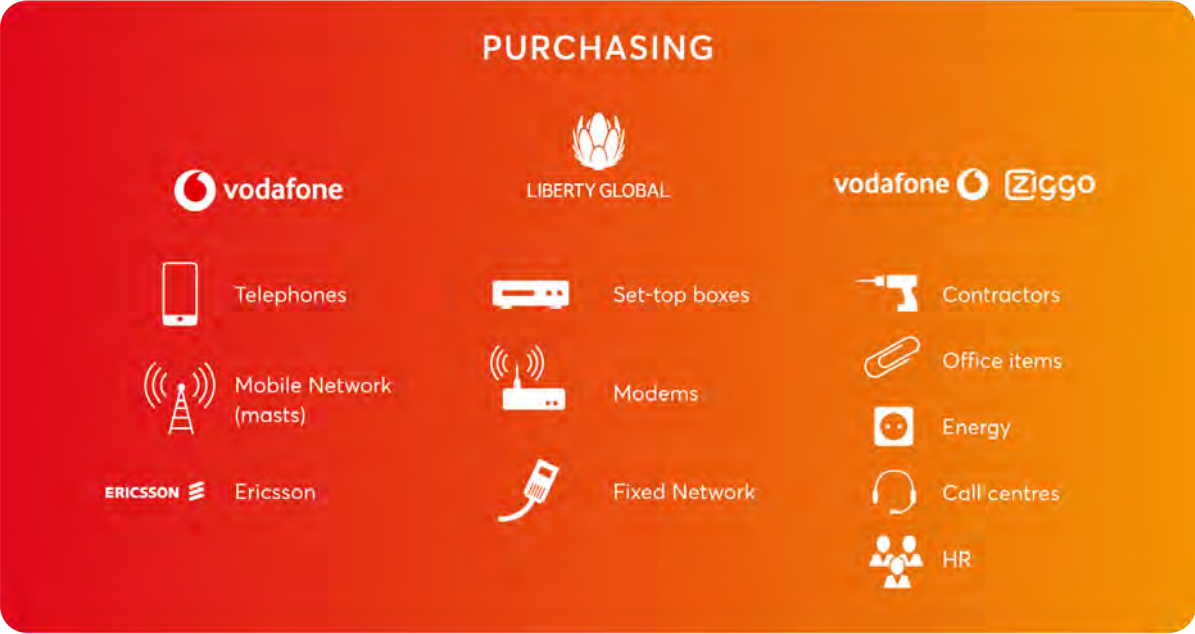
(Article in Dutch)

[> READ MORE](#)

Sustainable Purchasing

VodafoneZiggo is committed to sustainability. The Purchasing department ensures that the goods and services we purchase are becoming increasingly sustainable and meet our ethical standards. Relevant agreements with our suppliers are in place, which are summarised in our [Sustainable and Ethical Purchasing Code](#).

Much of the purchasing is done through our parent companies Vodafone Group and Liberty Global, which conclude international contracts for this purpose. This concerns contracts with telephone manufacturers or producers of modems and media boxes, for instance. At a local level, we hire, among others, contractors, installation companies, maintenance companies, electricity suppliers, contact centres, business service providers and employment agencies. Read more about [Energy](#) in this annual report.



100% SUSTAINABLE ENERGY

All the energy we use is 100% sustainable. We only use energy generated by European wind turbines.

JAC

VodafoneZiggo is part of JAC, an association of telecom companies who cooperate to promote sustainability in the industry. In JAC, we develop joint policy for sustainable business.

People

One aspect of doing business sustainably entails treating well the people we work with. That is why we make agreements with our suppliers not only about topics such as the environment and sustainability, but also about safety and fair salaries - for example with subcontractors who lay cables for us, install masts and build distribution stations.

Safety is an important theme in this respect. In 2019, our suppliers carried out more than 200 workplace inspections during activities with a high risk profile. These activities include working at heights, working in confined spaces and working with electricity. Beyond that, our Executive Director Technology and his management team visit a location every quarter to assess health and safety issues.

We outsource part of our call centre services to parties outside the Netherlands, including in Suriname and Turkey. Our Sustainable and Ethical Purchasing Code is in place to ensure that the working conditions of these overseas employees meet the conditions stated in this purchasing code.

Goals and Ambitions

CUSTOMER EXPERIENCE

Support for customers is changing from reactive to proactive, so that we can take the customer experience to the next level. The data we have at our disposal helps us to make predictions about our systems and products. We can, for instance:

- repair a cable before it causes a malfunction
- replace customer equipment before it is no longer suitable
- offer tips for movies and series tailored to the taste of the customer

PRIVACY

One of our plans for 2020 is to organise regular training and awareness activities. We intend to transform our central knowledge bank covering privacy issues into a privacy learning portal for our employees. We have already developed a 'Privacy Talk Shop' (*Privacy Praatpot*). It comprises a set of cards with privacy-related statements and cases to be used as a catalyst for discussions on various privacy situations and dilemmas.

In 2020, we intend to integrate our privacy management tool and the project management software used by our agile teams. This will make it easier for agile teams to test their ideas, processes and applications for privacy risks.

We are continuing to work on data minimisation: the removal of outdated information from our systems and improved control over the access rights of our people and commercial partners.

RETURNING PHONE, DELETE DATA

When customers return a mobile phone or send one in for repair, we ask them to first erase all data on it by performing a 'factory reset'. In 2019, we tested software with which we can perform a 'hard reset'. A 'hard reset' permanently deletes all personal data on phones. In 2020, we will investigate how to make this software available in the shops and increase awareness of its existence. We hope that this new approach yields an increase in the return of mobile phones. Our assumption is that customers who can trust us to thoroughly erase all data on their phones will return their devices more readily. The more mobile phones we get back, the more material we can reuse. It's all the more sustainable.

Read more about [circular business models](#) in this annual report.

SECURITY

With the introduction of 5G, people and organisations in the Netherlands will have even more options with respect to services and applications through mobile internet. Municipalities - clients of telecom service providers - are currently considering how they wish to use 5G for '[the city of the future](#)' and how they will deal with the related privacy and security issues. As a provider of 5G and IoT services, VodafoneZiggo intends to increasingly pursue the role of business partner of government and other customers. We intend to fulfil this role by providing support w.r.t. matters of privacy and security, as well as advice on the possible social scope thereof. In the design of the 5G network and 5G services, we already take privacy and security into consideration.

SUSTAINABLE PURCHASING

Our ambition is to make the entire value chain more sustainable. VodafoneZiggo wants to encourage companies to act sustainably and ethically, and to develop policies to that end. Together with our suppliers, we want to arrive at a set of criteria that every company with which we do business is obliged to meet. In the first half of 2020, we will be conducting a study among our suppliers in order to determine how they score on the sustainability and ethical criteria of our [Sustainable and Ethical Procurement Code](#). In the second half of 2020, we will determine how we deal with companies that score low on these criteria.

We are increasing the number of workplace inspections for work with a high-risk profile and we are increasing the number of suppliers that we check regarding safety requirements.



Digitisation

Strategy and Results

Digitisation is an important factor in the economic development of the Netherlands. In order to remain digital industry leader, we need to have at our disposal the best fixed and mobile networks.

VodafoneZiggo is happy to pick up the gauntlet. If for no other reason, because digitisation is crucial to the survival of our company. For VodafoneZiggo, digitisation is the most effective way to achieve further growth and to remain successful. We therefore adapted our strategy in 2019, making digitisation one of our four **strategic pillars**.

We invest a lot of capital, energy and manpower to transform VodafoneZiggo into a digital telecoms provider.

Digitisation entails changing the mentality and way of working in our organisation. We distinguish four basic principles:

- Customer-oriented approach

The customer experience is central to everything we do. Insight into customer needs is requisite to good and relevant products and services.

- Choosing digital solutions

Wherever possible, we opt for digital solutions in everything we do and develop.

- Better performance thanks to data

We use all available data to make the best choices and decisions.

- Agile Working

We work according to agile methods, which makes us more flexible and enables us to achieve swifter results. We work in teams with colleagues from different disciplines and organisation units, i.e. 'cross-functionally'.



Digital Developments

The digital revolution is changing the world around us and it is happening at lightning speed. Technological developments follow one after the other in rapid succession. Data is essential to making decisions and serving customers as well as possible. Businesses use new techniques to serve their customers, such as chatbots and convenient smartphone apps. The market in various sectors is changing drastically due to new digital business models that help companies take maximum advantage of digitisation.

Our customers are changing, too. They are more critical and want businesses to help them quickly, properly and in a way that is tailored to their individual needs. When they evaluate our services, they compare us not only with telecom providers, but also with companies in other sectors, such as Coolblue, Apple and Amazon. In order to remain relevant as a business, it is important that we keep pace with digital developments in the market and that we really put our customers at the centre of everything we do. We must act faster, with more focus and more flexibility.



Digitisation is crucially important, now and in the future. We seek to strike the healthy balance between clever technology and human contact. Insights are incorporated into our systems immediately, so that we can satisfy customers' each and every wish. Part of that is an agile way of working.

Robin Kroes

Executive Director Strategy Insights & Integration

We involve our customers in our digital development processes, allowing us to respond faster to their changing wishes, as well as to technological developments. We're growing with the wishes of our customers and thus offer better products, services and experiences. Digitisation makes our organisation more efficient and keeps costs down.

At the same time, we have an eye for what digitisation means for the different groups in our society. We believe it's important that everybody in the digital society has equal opportunities. With this in mind, we're developing special programs for young and old and support several initiatives to increase people's digital skills.

Digital Organisation

The four basic principles for digitisation in our organisation are:

- Choosing digital solutions
- Better performance thanks to data
- Agile Working
- END: area

Customer-oriented approach

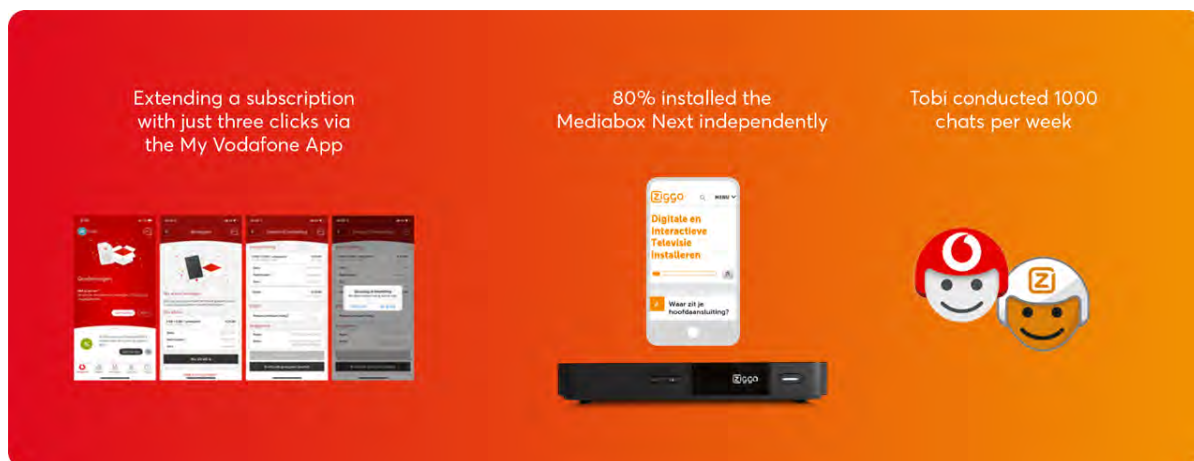
We involve our customers in the development of new concepts. We translate the insights we gain from this into products and services that meet their needs.

Read more about [how we make the customer central](#) in this annual report.

	2019	2018
NPS Digital customer journey for mobile	4	n/a
NPS Digital customer journey fixed	6	n/a

Choosing digital solutions

VodafoneZiggo has a preference for digital solutions. We use and develop digital products and services to be as customer focused as possible. Digital technologies promote more effective anticipation and swifter response. We use them to enable customers to purchase products and contact us direct, online, from anywhere and at any time. In practice, we see that customers value digital help, as various studies confirm. We expect a shift to an increasing number of digital channels, where we serve our customers in a swift and user-friendly manner. We use the best technologies in combination with personal contact - if a customer prefers to speak to someone in one of our stores, then that's still possible.



Better performance thanks to data

To offer customers the best service, we need to be aware of their needs and wishes. We can get a good impression of these from the data we keep on them, yielding various different benefits to customers. We can recommend a film or a series to them, for instance. If a customer makes few calls, we can suggest s/he purchases a cheaper mobile subscription. Obviously, we use this data after the customer's approval only. To make these things possible, we are working on the better alignment of the activities of our commercial, operational and technical departments.

By using data in a smart way, we can better predict customer behaviour and personalise our service. We approach them through their channels of choice. Customers do not have to tell the same story twice when they contacts us. This way, we can help them faster and more adequately. Smart use of data can solve technical problems more swiftly, and in exceptional cases, even prevent their occurrence entirely.

We are currently developing an algorithm that is extra alert to anomalies in the systems. We are confident that it will enable us to be more precise when tasking maintenance engineers: "Go to cabinet A in district B and replace part C." An effective approach like that offers benefits to all involved: we improve our work processes and service levels, solve problems more swiftly and the customer experiences fewer malfunctions. Ultimately, a situation will arise in which we can foresee malfunctions so far in advance, that we can solve them before they have an impact on customers.

Another data model we work with recognises customers experiencing problems watching television. We can also predict when customers are dissatisfied with the WiFi performance in their offices or homes. On the basis of insights yielded by such data, we proactively contact customers experiencing significant or structural issues and make every effort to resolve them.

	2019	2018
Number of customers actively using the Ziggo GO app	39%	36%
Number of customers using the MyVodafone app	38%	38%
Number of Wifi apps downloaded	85,000	0

Agile Working

In 2019, the first VodafoneZiggo employees started working with 'agile'. Small, multidisciplinary teams of 8-12 people work closely together to deliver tangible products within short lead times. This makes it possible to achieve swift results and continuously make improvements. This way, we are making our organisation increasingly flexible and faster to adapt and perfect our products and service experience.

Read more about our [way of working](#) in this annual report.

Equal Opportunity in the Digital Society

The digital society offers people many opportunities. It offers ample opportunity for self-development, brings people into contact with each other and enables them to exchange ideas quickly and with ease. At the same time, increasing digitisation poses important challenges for society. How do we ensure that digital technology offers benefits to all people and that no one is left behind? How do we ensure that everyone has sufficient digital skills to move forward in life?

VodafoneZiggo wants everyone to participate in the digital society and that people do so responsibly. To keep up with the digital world, it is important that people develop digital skills. In order to achieve this, we're doing the following:

- We're take part in social initiatives that make technological solutions available in order to promote people's wellbeing.
- We're offering our people the opportunity to voluntarily take part in our programs.

We're offering our people the opportunity to voluntarily take part in our programs.

VODAFONE FOUNDATION

Since 2002, the Vodafone Foundation has been committed to improving the lives of people in a vulnerable position. It is an independent organisation that is part of a global network of 27 Vodafone Foundations. With its various programs, the Vodafone Foundation is working to decrease socio-economic inequality and the likelihood of social exclusion. The organisation helps young and old develop digital skills through the programs Online Masters, Experience Days and Welcome Online. The Vodafone Foundation also brings people in difficult situations in contact with family and friends - with the Instant Network Program, for instance, and the *Bondgenoten* Program (Companion Program) for children suffering long-term illnesses. The organisation aims to reach 200,000 people a year.

Read more about the [Vodafone Foundation](#)



Digital Skills

VodafoneZiggo believes that it's important for everybody in the digital society to have equal opportunities. For this reason, we offer special programs to schoolchildren, the elderly and families to teach them digital skills.

SCHOLIEREN

Digital skills are currently not on the Dutch primary school curriculum. However, in order to create equal opportunity, it's essential that all children receive proper and relevant digital education. Indeed, in a few years, two out of three children will have jobs in which digital skills are fundamentally important. VodafoneZiggo therefore promotes adequate education that fosters the digital skills requisite to tomorrow's world.

Online Masters

Using the free, interactive **Online Masters** teaching program, children can increase their digital skills. They learn about the digital world and how to be competent, safe and aware online. Online Masters is a free teaching program for 11 to 15 year olds, in which digital experts explain how the digital world works. The teaching program is intended for the last two years of primary education and the first stage of secondary education. During the annual **Media Literacy Week** in November, hundreds of Online Masters' colleagues give guest lectures at schools to teach children to use the internet safely, skilfully and with awareness.



Teaching them responsible gaming

Tips from Game Expert Koen Schobbers

(Article in Dutch)

> READ MORE

Experience Days

Each month, we organise Experience Days at several of our locations. Here, we playfully introduce young people to technology and provide a peek behind the scenes at VodafoneZiggo. Pupils from groups 7 and 8 of primary school and the first years of secondary school attend workshops given by our employees, who teach them, among other things, programming and 'cable stripping' - using a special pair of pliers to remove a cable from its plastic covering. The Experience Days mainly focus on children from neighbourhoods at a socio-economic disadvantage, who have few role models to inspire them. VodafoneZiggo works together on this project with JINC, an organisation that promotes these children's understanding of the labour market *and* their talents. In 2019, 1,870 students participated in the Experience Days.

Digital Life Experience

The Experience Centre in our central office in the heart of Utrecht offers schools and other visitors a **Digital Life Experience**. This is a program with three workshops in which students learn digital skills for 2.5 hours and discuss their digital behaviour and future.

	Target 2020	2019	2018	2017
Number of children who participated in the Online Masters program	150,000	159,570	176,370	169,535
Number of children who participated in an Experience Day	1,500	1,870	2,451	1671

Girlsday

On 11 April 2019, a special Experience Day for girls was held on national 'Girls' Day'.



THE ELDERLY

Not everyone can keep up with digital developments. Of all the elderly in the Netherlands, 10% of 65-75 year olds and 32% of those over 75 have never used the internet. 23.6% of over-65s rarely use the internet^[1]. Many simply cannot keep up with developments. Some find the internet scary. 40% of the elderly expect the use of digital technology to become more difficult for them. 75% expect to be unable to keep up with future digital developments^[2]. Nevertheless, 49% of elderly people do want to learn about digital devices and the internet^[3].

1 Source: CBS

2 Source: KBO-PCOB

3 Source: Nationaal Ouderenfonds

Welcome Online

In 2018, we developed the teaching program 'Welcome Online' in conjunction with **Netwerk Mediawijsheid** and **ECP/Veiliginternetten.nl**. This program is intended for over-65s who have rarely or never been online. In 2019, we entered into a joint partnership with the **Nationaal Ouderenfonds** (National Foundation for the Elderly) and Samsung to reach the elderly in the Netherlands with Welcome Online. The National Foundation for the Elderly now offers the Welcome Online program through several different projects and activities, making the program widely available to a large group of elderly people. Under supervision by a volunteer from the National Foundation for the Elderly, they discover the possibilities of the internet and learn how to apply basic digital skills. VodafoneZiggo employees volunteer, too.

Number of elderly people who participated in the Welcome Online program

1,000 741 53

FAMILIES

Digital life brings many benefits to families, but also it also brings challenges. Parents often find it difficult to educate their children about the media. We support parents and children in the safe and responsible use of the internet, games and social media.

WIJS Magazine

In 2019, VodafoneZiggo published WIJS Magazine (WISE Magazine), a free magazine for parents about the digital world of their children. The magazine sheds positive light on how they can become more involved in the online environment and perception of their children. It also gives them tips on how to supervise and guide their children regarding the digital world. WIJS Magazine provides information about current and future developments, discusses frequently encountered online situations and identifies opportunities and challenges relevant to media awareness.



Table

jvs_2019-Aantal WIJS Magazine

Cooperation

In order to achieve our social ambitions, we work closely with various partners and support various national and local initiatives. We form partnerships with foundations and give donations to foundations that promote digital and social inclusion. Below is an overview of the parties we work with.

ALLIANTIE DIGITAAL SAMENLEVEN (DIGITAL SOCIETY ALLIANCE)

On 2 March 2019, the **Alliantie Digitaal Samenleven** saw the light of day, an organisation that aims to get as many people as possible to participate in the digital society. The alliance is an initiative of VodafoneZiggo in conjunction with the Ministry of the Interior and Kingdom Relations, the ECP Platform for the Information Society and the Number Five Foundation. More than thirty parties are now taking part. On 11 March 2019, they organised the **Nationale Werkconferentie Digitaal Samenleven** (National Digital Society Working Conference) at the Nederlands Instituut voor Beeld en Geluid (Netherlands Institute for Sound and Vision) in Hilversum. 180 participants spent the afternoon working together to formulate a vision on digitisation and the role it has in society.

NL DIGITAL

Every year, the cabinet organises the NL Digital conference in conjunction with the business community, scientists and civil society organisations. The first edition took place in March 2019. Jeroen Hoencamp, CEO of VodafoneZiggo, Princess Laurentien and State Secretary Knops announced the launch of the Digital Society Alliance.

CHILD ABUSE HOTLINE

VodafoneZiggo supports the Dutch Online Child Pornography Hotline of the Child Abuse Expertise Centre (**EOKM**), which combats and prevents the (online) sexual abuse and sexual exploitation of children.

JOHAN CRUYFF FOUNDATION

Sport brings children together and promotes strong and healthy development. For this reason, the **Johan Cruyff Foundation** facilitates sports for large numbers of children, especially those who cannot take sports for granted. They don't have the money, for instance, or have a physical disability. VodafoneZiggo sponsors the Johan Cruyff Foundation.

DISABLED SPORTS FUND

Raising awareness for disabled sports, making sport possible for everyone with a disability and improving the range of sports on offer - that is what the **Fonds Gehandicaptensport** (Disabled Sports Fund) is committed to. VodafoneZiggo is sponsors the fund.

JINC

JINC believes that every child should have the same opportunities. That's why the organisation helps children aged 8 to 16 to get a good start in the employment market. The children become acquainted with different professions, discover which work suits their talents and learn how to apply for jobs. JINC is our partner for the Experience Days. They liaise with the schools that visit our office location.

EMMA AT WORK

Emma at Work offers support to young people with chronic physical disabilities and helps them on the road to an independent future. The organisation supervises the young people in their personal development and assists them in their search for work. VodafoneZiggo is a member of the Club van 1000 (1,000 Club), a network of employers who help young people find side jobs, holiday work, work-experience placement, traineeships and full- and part-time jobs.

	Target 2020	2019	2018
Number of societal partnerships	7	12	10

Volunteer Work

We offer our people the opportunity to volunteer in our programs.

Read more about **our volunteers** in this annual report.

Goals and Ambitions

DIGITAL ORGANISATION

The ambition is to become a more data-driven, customer-oriented, versatile and 'digital first' organisation. Relevant to achieving this are a mentality shift through learning and development programs, as well as developing and innovating new tools and technologies.

EQUAL OPPORTUNITY IN THE DIGITAL SOCIETY

We have special programs for young and old and support several initiatives to increase people's digital skills. Indeed, we aspire to being an outstanding employer to our employees, by offering them the opportunity of unlimited learning so that they remain future proof, and by promoting a culture the key values of which are inclusion, diversity and equality. By 2025, we intend to reach more than 1.6 million people with our social programs.

	Target 2020	2019	2018	2017
Number of children who participated in the Online Masters program	150,000	159,570	176,370	169,535
Number of children who participated in an Experience Day	1,500	1,870	2,451	1671

	Target 2020	2019	2018
Number of elderly people who participated in the Welcome Online program	1,000	741	53



Our products and services

Strategy and Results

We do everything in our power to tailor our products and services to the demands of our customers. Always keeping our objective in clear focus: enjoyment and progress with every connection. We continuously improve our products and create positive customer experiences. We provide the best entertainment and lots of viewing pleasure. We provide fast and reliable internet. We bundle our fixed and mobile products and let our customers enjoy benefits such as attractive discounts, extra TV channels and a package to be safe online. We are at the leading edge of developments, such as the Internet of Things (IoT), which connects increasing numbers of devices to each other and to the internet. Before we launch new products on the market, we first extensively test and discuss them with our customers. They are an important link in our new concept development chain.

As a provider of fixed and mobile network services, we have a strong market position in the Netherlands and are relevant to our customers. For this reason, we work hard to bring new products to the market and build upon existing ones:

Best Content and Viewer Experience

Our ambition is to provide the best and most extensive range of entertainment and to give our customers a smooth viewing experience.

Best Internet

VodafoneZiggo has a finely ramified, first-class infrastructure in place in the Netherlands. Nevertheless, our customers believe the connections could be better.

Best Convergence Propositions

Bundling fixed and mobile products offers our customers several benefits, such as attractive discounts, extra TV channels and a safe online package. Since we started offering bundled internet, TV and mobile subscriptions in April 2017, they have been purchased by more than 1.3 million households.

Internet of Things

VodafoneZiggo is industry leader in solutions for Internet of Things (IoT). We deliver important added value to our business customers in particular, thanks to our national network coverage for IoT, for instance, and the experience of our parent companies Liberty Global and Vodafone Group.

Key Figures



Our Portfolio

VodafoneZiggo provides products and services relating to television, broadband internet, telephony and mobile data to consumer and business customers in the Netherlands.

Combining Fixed and Mobile Services

both Ziggo and Vodafone products. They appreciate the fusion of fixed and mobile. Our customers are still taking advantage of our offer for an all-in-one package of fixed and mobile services (**non-stop free extra's**) more than two and a half years after its launch, and to their great satisfaction. We launched the **WiFi Back-up Bundle**, offering customers subscribing to both Ziggo and Vodafone a free 50-megabit data bundle in the case that their Ziggo internet connection should temporarily fail.

These customers report far higher customer satisfaction and attrition among them decreased significantly. We see this as corroboration of our strategic focus on combining the provision of fixed and mobile services.

74% of Vodafone customers decided to purchase Ziggo products, too, and 40% of Ziggo customers subscribed to services from Vodafone. The number of fixed customers purchasing a combined package grew by 286,000 to 1.3 million households. The number of mobile customers purchasing a combined package grew by 541,000 to 2 million customers.



It is fantastic to see that our customers have embraced and appreciate the combination of fixed and mobile in such great numbers. In 2019, moreover, they were introduced to a new viewing experience, whereby we combine the Mediabox Next with the popular Ziggo GO app. Innovation remains high on the agenda!

Marcel de Groot

Executive Director Business-to-Consumer

Mediabox Next and Ziggo GO

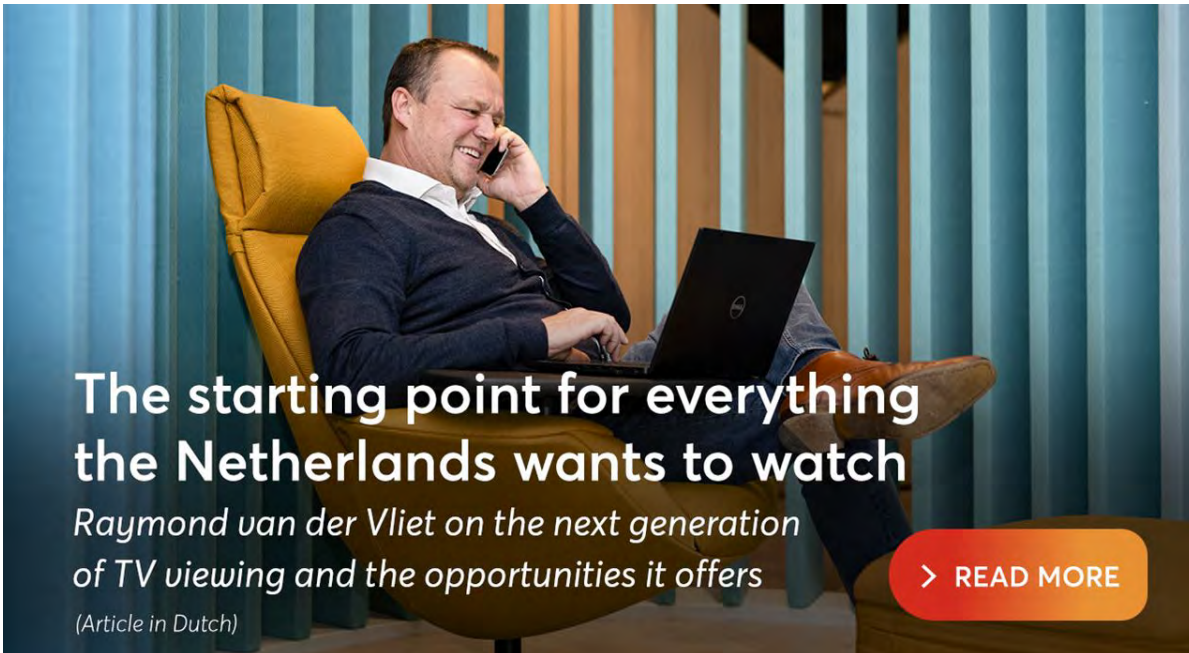
The number of customers who ordered the new box was greater than expected. In the first three months post introduction, more than 300,000 were delivered to customers. The Mediabox Next is smaller and far more user friendly than its predecessors. The device uses the internet and therefore doesn't need a hard drive to record programmes. The Mediabox Next offers a new viewing experience: it's now possible to watch a programme on a television set and then to continue to watch on a laptop, tablet or smartphone using the Ziggo GO app. Customers can watch, record and review TV programmes anywhere. Before launching the Mediabox Next, we tested it extensively among customers and colleagues. In addition to offering a better viewing experience, the new mediabox uses less power, is quieter and more pleasant to use. We package the media box using fewer materials, almost all of which are suitable for reuse. Initially, we wanted to offer all our customers the Mediabox Next, but in the light of the mediabox's huge popularity and the fact that procurement and installation are relatively costly, we chose a different option. Customers subscribing to Internet & TV Max or Internet & TV Giga receive a Mediabox Next and other customers receive a software update for their Horizon mediabox, which has almost all the functionality of the Mediabox Next.



Entertainment

Our customers have access to our **broad range of entertainment** through the Ziggo Mediabox and Ziggo GO. They appreciate these for their quality and great diversity. We offer more than 170 channels in the standard package. Customers who subscribe to Ziggo Movies & Series (XL) receive approximately 250 movies, including documentaries and more than 70 exclusive series. At the start of 2020, Ziggo had approximately 6,000 episodes live. A large number of them come from HBO (including Game of Thrones, Billions, The Rook and Vikings). In addition, these customers have 40 extra channels to choose from, including BBC Entertainment, Discovery Science, Love Nature and E! Entertainment.

Game of Thrones broke all records with its final season. The epic end of this HBO series was the most-watched season ever. Ziggo organised a finale-screening for fans at more than 20 Pathé cinemas. Thousands turned up at the cinemas to watch the final episode together.

A man in a dark sweater and white shirt is sitting in a yellow armchair. He is holding a mobile phone to his ear with his right hand and has a laptop open on his lap with his left hand on the keyboard. The background consists of vertical blue and orange stripes.

The starting point for everything the Netherlands wants to watch
Raymond van der Vliet on the next generation of TV viewing and the opportunities it offers
(Article in Dutch)

[> READ MORE](#)



Ziggo Sport

Ziggo Sport owns the TV rights to Formula 1 in the Netherlands. The race-weekend's programming was extended significantly again this year: Free Practice and a talk show on Fridays, Qualifying on Saturdays and the Race on Sundays with an extensive preview and review give fans the ultimate Formula 1 television experience. On top of that, 10,000 customers watched the Grands Prix of Austria and Mexico live in the Ziggo Dome.

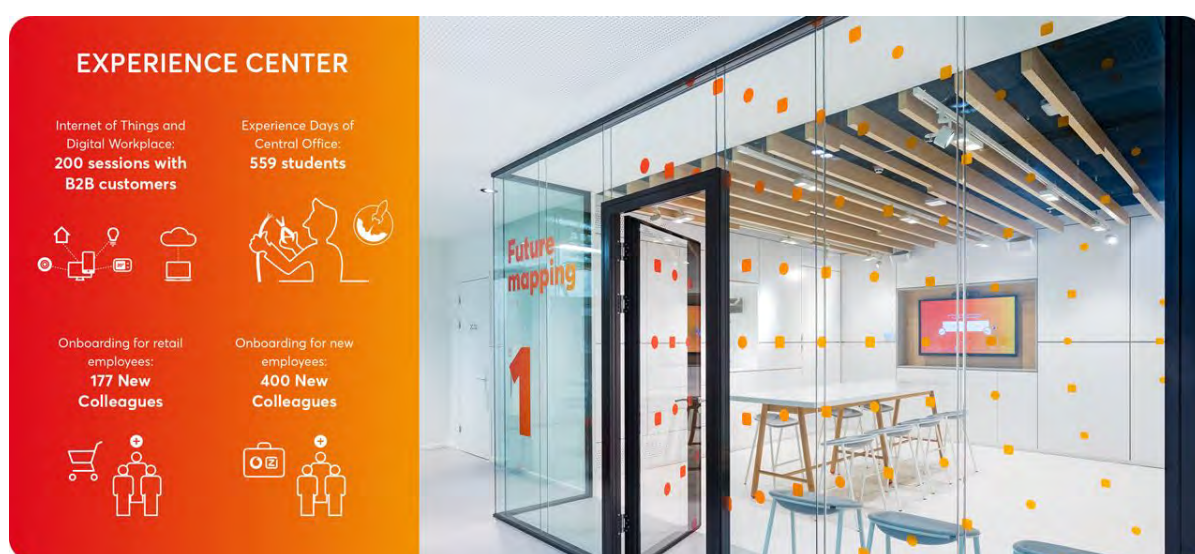
The Austrian Grand Prix on television was the most-watched GP of the year, attracting 1.6 million viewers. Ziggo has announced that the Zandvoort Grand Prix will be free to watch throughout the Netherlands.

Power Promise

To assure our customers of a good data connection, we offered them the **Power Promise**, just like in previous years. We promise them that the Wi-Fi coverage in their home will always be good. We help new customers, customers who move house and customers who get a different media box or modem with installation. Using the **Wi-Fi Assistant-app**, customers can themselves draw a map of the Wi-Fi situation in their office or home. The app advises them on how to improve the Wi-Fi signal. If necessary, our technicians install a Wi-Fi booster to achieve optimum Wi-Fi throughout the home.

Experience Centre

The VodafoneZiggo Experience Centre is a dedicated area in our offices in Utrecht where customers, employees and other target groups can get to know our company. We use text, images and experiences to present what VodafoneZiggo does and why. During interactive sessions, we explore the needs of customers' organisations. We show them the possibilities offered by VodafoneZiggo and go through the rapid current and future developments together. We look at where they want to be in five years' time and what steps they need to take to get there. During workshops and **customer journeys**, we translate their objectives into specific technological solutions for their business. New colleagues come to experience how we put our customers at the centre of everything we do. We also pay a lot of attention to VodafoneZiggo's objectives and values, as well as our culture and the way we work together. We teach children about social-media awareness, internet safety and the importance of privacy. We also take a look into the future with them. For example, what kind of jobs will be disappearing due to digitisation and what kind of new jobs will be created.



Vodafone Flex

In May 2019, VodafoneZiggo launched Vodafone Flex, a new platform with which businesses can set up a company network safely and reliably within 24 hours. Customers can do everything themselves swiftly and with ease. They choose the services they require, like an option for their employees to work from home, or super-fast Wi-Fi at their workstations. They set their data limits themselves, too.

New employee profiles can be created within a matter of minutes, and a 'pop-up store' in a day. Increasing a data limit takes one minute. Users have access to network-performance and usage data at any time and place. They know, for instance, precisely how much bandwidth each individual application occupies and can monitor and control power and data use.

Flex is more efficient than traditional network systems, and therefore more sustainable. Companies choose to make a lot of bandwidth available during the day only, for instance, and to reduce bandwidth in the evenings and at night. Less bandwidth means less power consumption and vice versa.

VodafoneZiggo is the first company in the market to offer this option, meeting business customer demands w.r.t. manageability, flexibility and insight into their networks.



Internet of Things

Internet of Things, or IoT for short, is all about making people's daily lives easier. Using IoT, companies and governments can do things like **monitor dikes remotely**, **store medication safely** and **help consumers save energy**. To make these things possible, we connect devices, sensors, computers and systems wirelessly. We work closely with partners in the field of hardware, software, communication and data analysis to develop new applications. We take customers by the hand from enquiry to solution. Vodafone is global leader when it comes to IoT. We have been providing IoT solutions and innovations for more than 20 years. We have since established 95 million IoT connections and more than 1.5 million connections are added every month.

In 2019, we took part in a hackathon about smart transport. We also won a San Award for Vodafone Business's marketing campaign about IoT. In addition, we made preparations for the opening of the 5G Hub in Eindhoven in 2020. The hub is the place where we will connect 5G technology to innovative projects in conjunction with various partners and start-ups.



We help companies and organisations realise their ambitions towards their customers, employees and their own processes. For every need, we have efficient and innovative solutions that take entrepreneurs a step closer to these ambitions. Solutions that make clever use of the latest, future-proof technologies relating to smart working and IoT. We provide these solutions by ourselves, or in conjunction with our partners. As global leader in telecoms, we deliver fixed, mobile and integrated communication services to more than 10 million companies. With our partners, we strive to help each of our customers put *their* customers at the centre of the services *they* provide. Not only by putting our networks and technologies at their disposal, perhaps even more so by sharing our partnerships, knowledge and expertise.

John van Vianen

Executive Director Business-to-Business

Healthcare

VodafoneZiggo keeps a finger on the pulse of several industry sectors. Healthcare is one of them. We like to know what's going on, and to gain awareness of the needs and requirements of our customers in the healthcare sector, and those of their patients. That knowledge forms the basis for our product adaptations and the development of new, innovative services for hospitals, for example. They depend on thousands of resources that medical staff should always have at their immediate disposal: beds, wheelchairs, blood pressure meters, infusion pumps, etc. They need to know exactly where these items are located and how many are available. IoT offers a great solution for that. By attaching sensors to these items, the IoT system knows exactly where they are. A special team ensures that everything is in the right place at the right time. That way, nurses can fully focus on their patients.



City of the Future

According to several forecasts, 80% of the world's population in 2050 will live in large cities. Societies therefore face challenges w.r.t. sustainability, health and inclusion. Digitisation will play a big role in the city of the future. Cooperation with governments, municipalities, education, companies and knowledge institutions is crucial to helping cities make this digital transformation.

Stad van de Toekomst



Buildings

IoT makes work more efficient and brings smart technology to building management. Our central office in Utrecht is a case in point. There are two thousand sensors in the building, located in desks and ceilings. They record data about how our employees use the building. People can see, for instance, where their team is working, or where flex desks are available. Their smartphone or tablet is the key to their workplace. The desk automatically adjusts to the correct height when they have logged in. Incidentally, the employees themselves decide whether to share their location and which colleagues may find them. That way, their privacy is always guaranteed.

	2019	2018
Number of Vodafone IoT connections worldwide	99,000,000	80,000,000

Smarter Working

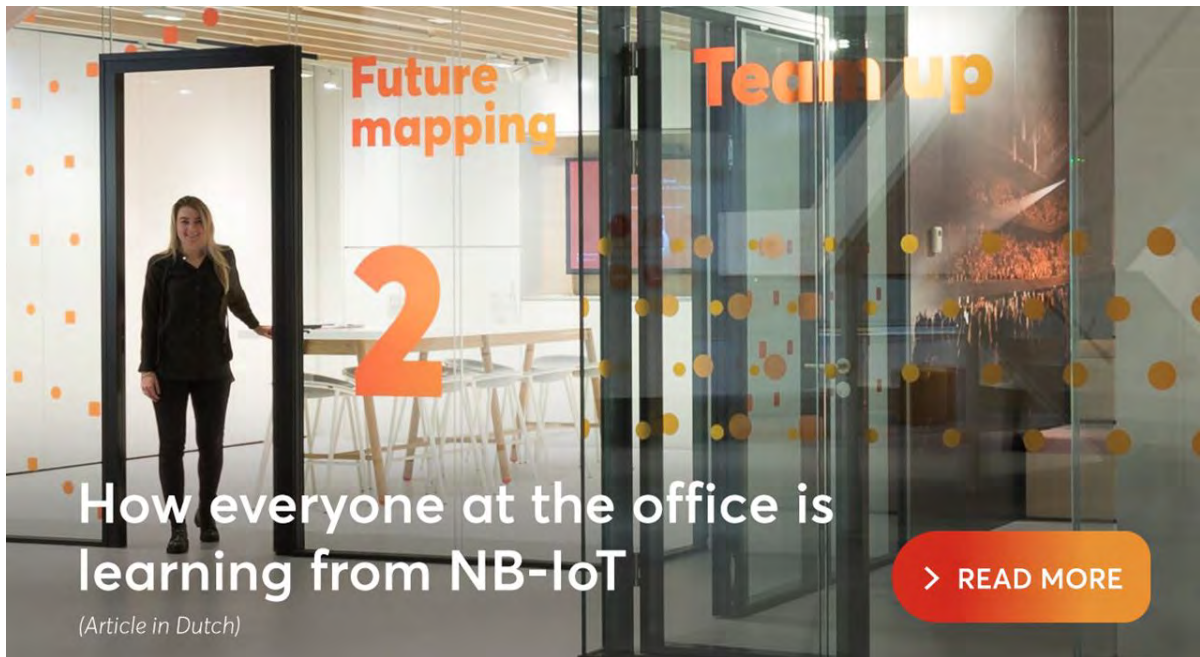
Companies are always looking for smarter ways of working and streamlining operations in terms of efficiency and sustainability. We provide the relevant support with our 'Smarter Working' solutions, combining different technologies to create ideal working environments. New 'smarter' products and services are constantly under development based on trends we identify and forecast. We test new work concepts in conjunction with customers.

Smarter Working enables working in teams anywhere, any time. Colleagues are always connected through integrated fixed and mobile technologies. Each employee has a single account and one digital workspace with access to applications in the cloud that make it possible to work together on PCs, laptops, smartphones and tablets. They can work in the same spreadsheet at the same time, for instance, or hold video meetings.

We replace old hardware and software by systems and programs that are faster and more user friendly. We use safe connections, such as ipVPN. These provide employees access to company-critical information without them having to worry about data loss. Smarter Working encourages people to work where they can be at their best, saving organisations money in terms of real estate and travel expenses. And since there's less travel, it's better for the environment, too.

Read more about [how we work together at VodafoneZiggo](#).





Innovation

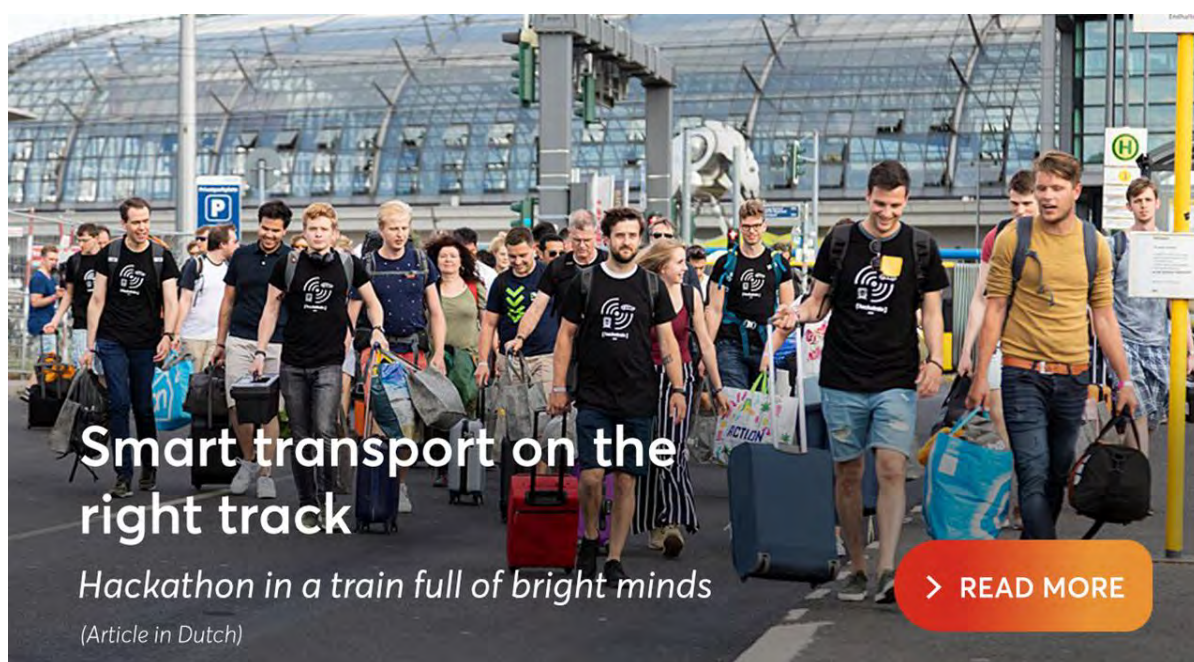
By continuously innovating, we deliver on our customer promise: putting the customer at the centre of everything we do. We respond to the latest technological developments, social changes and market demand. We are making it increasingly easier for our customers to be connected and enjoy the best sports, films, series and TV programmes - regardless of the time of day, location or the devices they use.

We are not only the driving force behind Dutch digitization, but also the infrastructure builder that has to help maintain the Netherlands' digital advantage in the future. We give other parties the opportunity to develop innovative services on our networks.

At VodafoneZiggo, multidisciplinary teams assess the added value to customers of innovations and the probability of success of a new product, service or process. They then decide whether it is worth continuing to develop a concept.

Cooperation

VodafoneZiggo develops innovative solutions in conjunction with various **innovative partners**. We enter into strategic partnerships with municipalities and governments, start-ups and other innovative companies. For example, we are working with the **municipality of Hilversum** to create **smart-city** applications and with Groningen, **Maastricht and Eindhoven** we're working on 5G.



Technology for Society

We make technology available that enables people to actively participate in civic life. That way, we contribute to the prevention of inequality and social exclusion.

Robots Help Sick Children

Through the 'Companion' project, we help children with a long-term illness to stay in contact with their classmates, family and friends. The children get help from a special robot: AV1. VodafoneZiggo provides the requisite 4G connection and lends twenty AV1 robots to Dutch children, so that they don't become socially isolated. They can follow lessons at school and even virtually play outside. The AV1 robot was conceived by the Norwegian company No Isolation. Stichting Kind en Ziekenhuis (The Child and Hospital Foundation) ensures that we assign the twenty robots effectively. With AV1, the Vodafone Foundation is making an 'Internet of Things' solution accessible to a larger group of children.



	Target 2020	2019	2018
Number of 'No Isolation' Robots	25	25	20

Instant Network

Through the 'Instant Network' program, the Vodafone Foundation makes equipment and people available to build temporary mobile networks in disaster areas. These networks make communication possible for aid workers during reconstruction operations and the population can communicate with each other and the outside world. The volunteer group, consisting of international Vodafone employees, has been mobilised in response to a disaster 13 times in the past five years. They went to Saint Maarten after the hurricane in 2017, Nepal following the 2015 earthquake and the Philippines in November 2013, during typhoon Haiyan. In mid-March 2019, volunteers headed to Mozambique to restore communications after they were devastated by Hurricane Idai.

Pride and tears after mission in disaster area

Products for the Blind and Visually Impaired

VodafoneZiggo received help from people with visual disabilities to improve the accessibility of the websites and apps for this target group. VodafoneZiggo cooperated on this project with Bartiméus, a foundation for the blind and visually impaired, and Accessibility, the expertise centre for the accessibility of IT. Representatives of these organisations entered into discussion with people who are blind, or have other visual disabilities, to hear first-hand what needed improvement. The insights gained were used by Digital staff to create an app that works well for the target group.



VodafoneZiggo is looking out for the visually impaired

In discussion with visually impaired people to improve the website

(Article in Dutch)

[> READ MORE](#)

Goals and Ambitions

OUR PORTFOLIO

We're working on a software update for the Mediabox XL, which will enable more than a million customers in 2020 to share the benefits of the completely new viewing experience offered by Ziggo. Among those are the ability to record and review programmes online instead of on the hard drive in the device and the seamless integration of the Ziggo Go app. In addition, the update improves the longevity of the Mediabox XL.

In the future, we will be using cloud services more often and we will use smaller and more powerful chips, which will lead to smaller products.

INTERNET OF THINGS

We will be making optimum use of the possibilities of the **Internet of Things**. Think of safe LED street lighting, operating on patients remotely and parking sensors with which motorists can find a parking space without having to drive around in circles.

SMARTER WORKING

In 2020, companies will continue looking for smarter ways of working and streamlining operations in terms of efficiency and sustainability. That's why we're continuing to invest in our GigaNet and advising our business customers, at our Experience Center and through other means, on how best to use our products and services.

INNOVATION

We will continue our close discussions with our partners in the future, with the aim of finding innovative solutions together that will be mutually beneficial in the digital world.

TECHNOLOGY FOR SOCIETY

By harnessing the strength of connectivity and innovative solutions, we can improve the health, security and quality of life. Thanks to the technologies of the Internet of Things (IoT), we cannot only monitor the health of patients remotely, but also medicines and donor organs in transit. In addition, IoT offers ease and security. It is becoming possible, for instance, to trace bicycles and electric scooters, to monitor dikes and to measure ground vibrations. With help from the Instant Network

Program, we install temporary networks in disaster zones, so that emergency services and population can communicate, together and with the outside world. In the coming years, we want to improve the health or quality of life of more people through IoT or other digital solutions.

	Target 2020	2019	2018
Number of 'No Isolation' Robots	25	25	20





Investing in the future

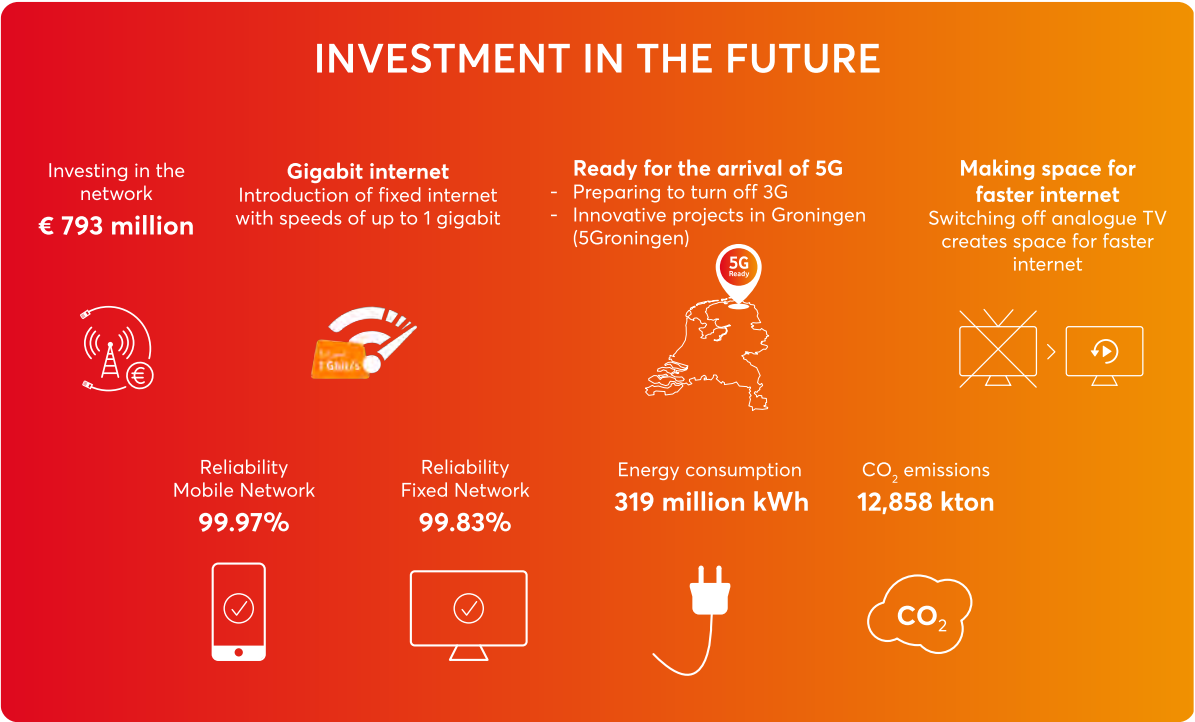
Strategy and Results

GigaNet, our joint network, is at the core of our company and is a determining factor in the digitisation of the Netherlands. Our fixed and mobile network delivers the capacity, quality and reliability that our customers demand from us. We are constantly investing in our networks in order to meet the growing demand for fixed and mobile communications. We anticipate upon the ever-increasing demands that customers place on our networks and choose the best new technologies. We are replacing old equipment, upgrading our systems and automating our services so that our customers can use them quickly and easily. Data traffic increased 33% on our mobile network and 21% on our fixed network in 2019.

Technology for fixed and mobile communication is changing at an astounding rate. We can already see the techniques of tomorrow on the horizon. Our customers expect us to be prepared for the future. We are making sure that this is the case. They can rely on us to build the networks of the future.

The current VodafoneZiggo fixed network is future-proof. Consumers current enjoy a maximum speed of 500 Megabit per second, and for business clients the speed is 600 Megabit per second. We can further increase this speed to 1 Gigabit per second (and eventually even faster). The existing 4G network meets the needs of the majority of our clients, but we must keep investing continuously. This is achieved, among others, by 'network virtualization', a method that ensures that the network becomes even better and more reliable. In the meantime, we are planning for the next generation of networks and technologies.

Key Figures



Innovative Network

The investments in our networks are bearing fruit. For the second year in a row we received a 9.6 in the annual survey of the German agency P3, which tests the network quality of the various telecom providers. That made us one of the best telecom providers in Europe. In 2019, for the ninth consecutive year, the Tweakers tech website proclaimed Ziggo as 'the best internet provider in the Netherlands'. Our customers are satisfied with us and rate our performance with good marks.

We continue to invest to maintain our high quality standards. Sustainability plays an important role in the choices we make here. We want to use energy 2% more efficiently each year, substantially reducing our CO₂ emissions and doing business in a more circular manner.

GigaNet

Since 2019, the powerful fixed and mobile network of Vodafone and Ziggo has had one name: GigaNet. With this we are preparing for the digital future. That means: high speeds, more network capacity and ultra-short response times on all mobile devices. We have a state-of-the-art mobile 4G network and we continue to build our network using new technology, which means that our customers and our colleagues are able to work faster, easier and in a more flexible way. GigaNet offers an infrastructure that allows us and other parties to develop new services and applications. GigaNet connects thousands of Internet of Things devices, such as lamps, refrigerators, air conditioners and cars and provides safe LED street lighting and smart dike monitoring.

GIGANET - NETWORK OF THE FUTURE



Ziggo provides internet with download speeds of up to **600 Megabit** per second.



GigaNet has provided download speeds of up to **1 Gigabit** per second in Utrecht and Hilversum (since the end of 2019) and in The Hague region (from 2020).



At least half of the **7,2 million** households connected to the Ziggo network will be able to benefit from gigabit speeds by the end of 2020.



Vodafone 4G+ supports data speeds of up to **350 Megabit** per second.



Vodafone offers the largest 4G mobile network in the world.



GigaNet enables companies to work smarter. By working in the cloud and using applications such as video calling, people can work more efficiently and their productivity increases.



GigaNet connects millions of devices via the Internet of Things (IoT).



In partnership with hospitals, VodafoneZiggo is developing an integrated network that makes the logistics process better and more efficient.

GigaNet - Network of the Future

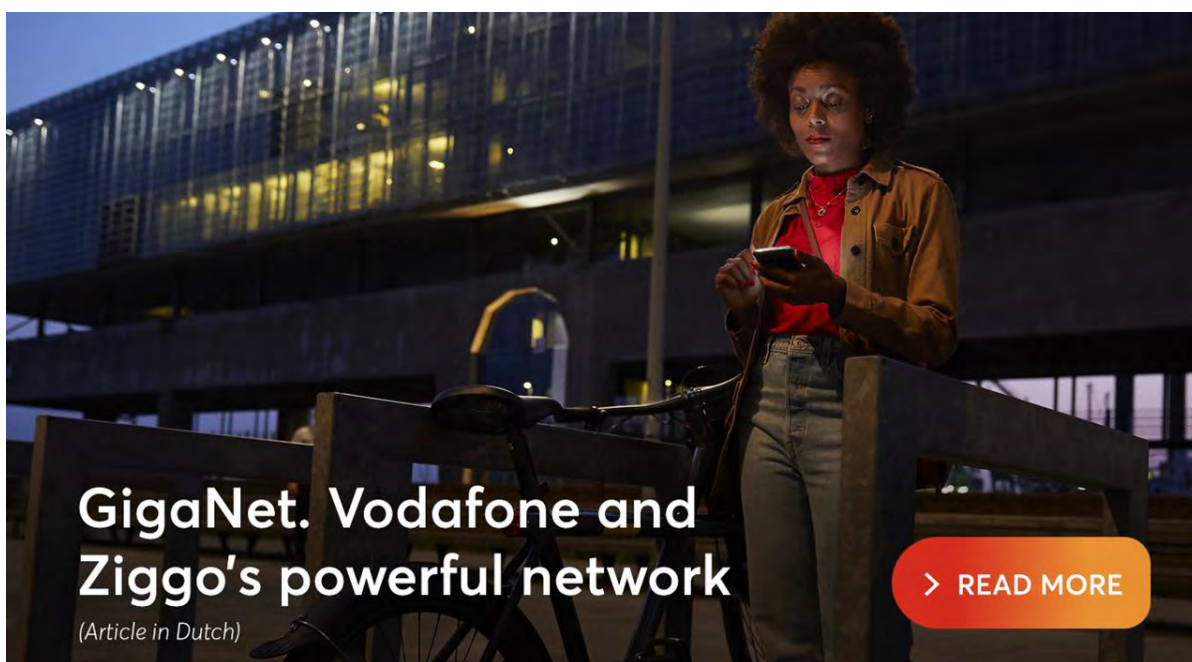
- Ziggo provides internet with download speeds of up to 600 Megabit per second.
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- GigaNet connects millions of devices via the Internet of Things (IoT).
- In partnership with hospitals, VodafoneZiggo is developing an integrated network that makes the logistics process more efficient and better.



VodafoneZiggo offers the best of both worlds. The power comes together in GigaNet, our joint network. In 2019, we started rolling out superfast Gigabit internet (without digging) and preparing for the arrival of 5G. Bring on the future! We are ready for it!

Eben Albertyn

Executive Director, Technology



Simplification and Digitisation

This year we again saw the benefits of merging Vodafone and Ziggo. We integrated our fixed and mobile networks even further and reduced the number of data centres, systems and services, and we'll be reducing this amount further in the coming years.

In 2019, we started simplifying and digitising our products and processes. Together with a (triple) double back-up of part of our networks, this is essential to continuously improving availability and stability. We have been steadily reducing the number of products since April 2019, such as the different types of subscription that we identify.

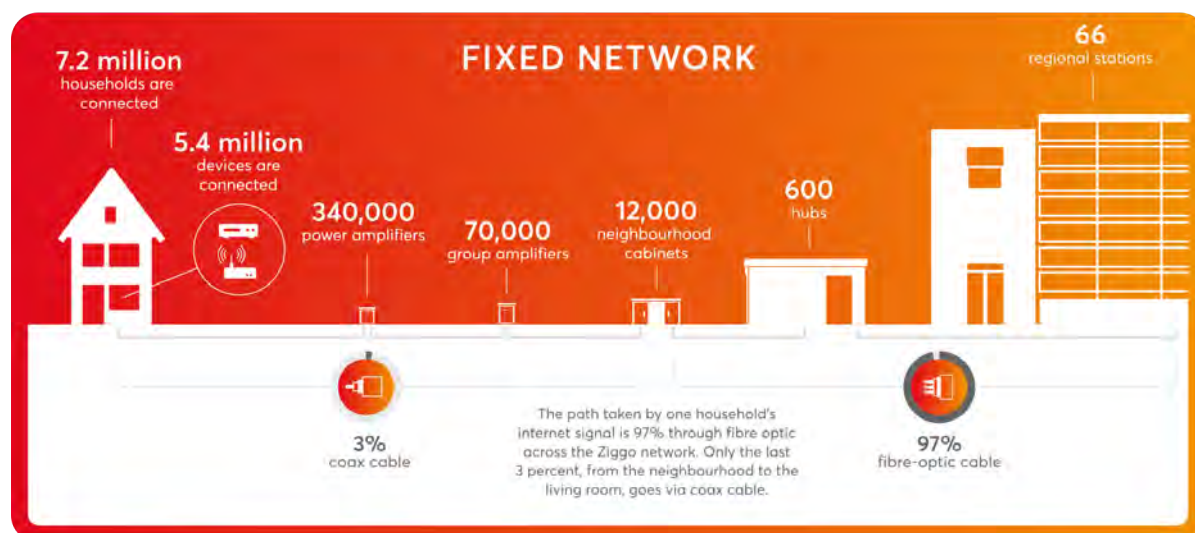
This is more in line with the wishes of our customers, and they are therefore better served by this. It also becomes easier for us to manage these things. We are improving and automating many of our processes so that customers can do more themselves in the office, at home or on the road.

Increasingly more services are now online or in the cloud, making them easily accessible anywhere, anytime. It makes our customers less dependent on devices that they have in their own home or business premises, such as routers, servers or media boxes. Our engineers do not have to travel as often, because the equipment is no longer in several different locations, but in one central location.

We're digitising and automating our services. As a result, our customers are increasingly in control. They don't have to contact our company to get something done. They adjust their data bundles themselves or order a new subscription online. A good example of this is Vodafone Flex that enables companies to set the bandwidth and speeds of their network in real time and without delay.

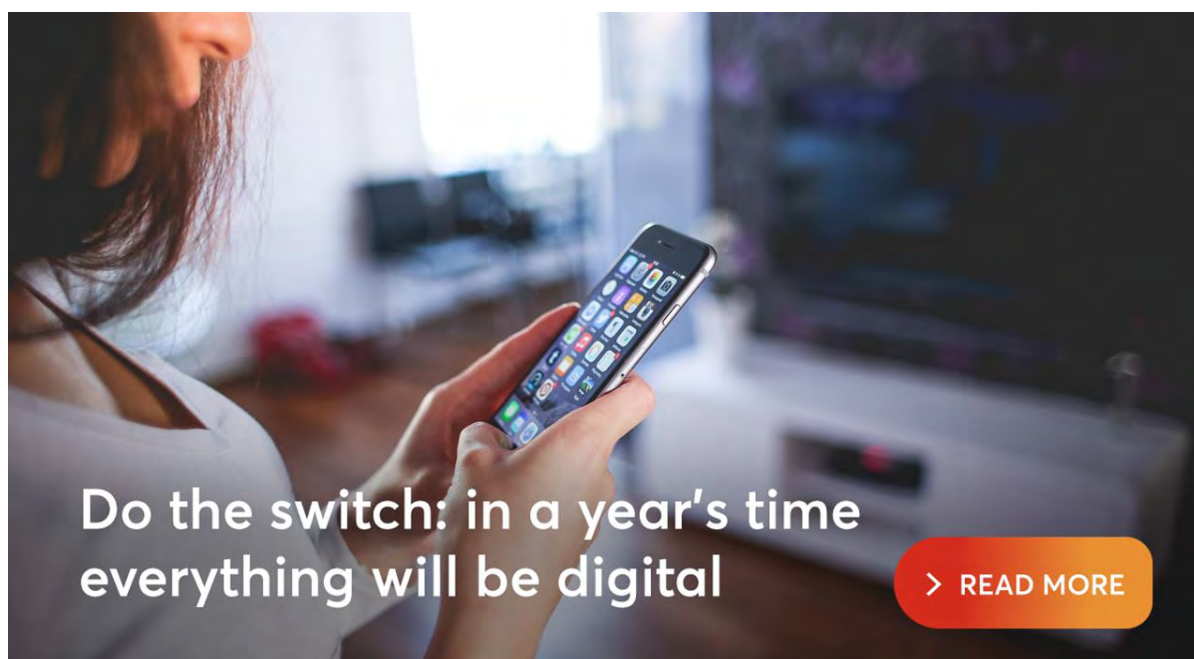
Read more about [Vodafone Flex](#) in this annual report.

Fixed network



In our fixed network, we are replacing outdated systems with new ones that handle data and bandwidth more efficiently. For example, we replaced digital telephone exchanges with new voice platforms that take up less space, use less energy and are much more user-friendly. We changed signal amplifiers in the fixed network. In 2019, we pulled the plug on [ISDN](#), an outdated technology for calling, faxing and surfing the internet. At the end of 2021, we will discontinue analogue television and will offer fully digital television. In return the customer

gets a better picture and more channels. We have now disconnected 60% of the analogue connections, which means that we are behind schedule. We will accelerate the process in 2020, so that we can still meet our planned deadline (end of 2021). The space on the cable that becomes available in this way, will be used for future services. We're making better use of space with DOCSIS 3.1 This technology ensures that we use our data centres more efficiently and can respond more quickly to new developments in software and equipment.



**Do the switch: in a year's time
everything will be digital**

[> READ MORE](#)

Mobile Network

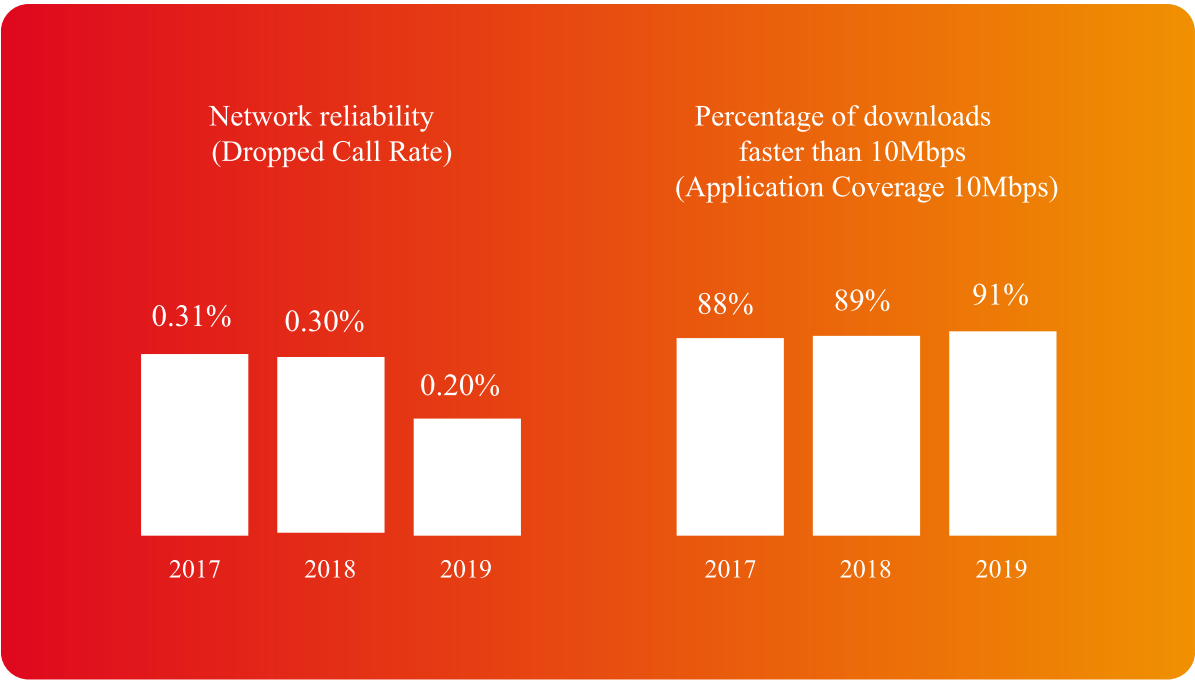
We are increasing the capacity of our mobile network by embracing new technologies. As with 5G, that makes smarter use of the available space on our network. In February 2020, we are permanently deactivating our 3G network, to make room for quicker and more stable mobile internet. Preparations for this are in full swing. Since 2018, we have been alerting our customers to this through various channels. The bandwidth that becomes available is intended, among others, for the more efficient, faster and more stable 4G frequencies. 4G is now part of all new subscriptions and the devices we offer are all suitable for 4G. In addition, we are fully committed to the future of mobile data traffic: 5G. Small-scale experiments are already running in Groningen, Maastricht and Eindhoven.



Gigabit Speed

The next step in fixed and mobile data traffic are gigabit speeds on our fixed network, with speeds of up to 1 gigabit per second. This is almost ten times that of the average connection in the Netherlands. With 1 gigabit per second, customers can watch ultrahigh-resolution 4K films and TV programmes virtually without limitation, download very large files and play games at super high speed.

On October 15, 2019 we started offering gigabit speeds to our customers in Utrecht city, Vleuten, De Meern and Nieuwegein. Hilversum was next at the end of November. At the beginning of 2020, it was the turn of The Hague and Delft. In 2020, we're continuing in cities and regions such as Amsterdam, Apeldoorn, Arnhem, Eindhoven, Groningen, Nijmegen, Rotterdam, Tilburg and Wageningen. In addition to faster internet, a major advantage of modernising the fixed network is that it becomes more stable for all users.



	2019	2018
Dropped call rate (2G, 3G and 4G))	20%	0%
Total data usage mobile (in Terabyte)	153.978	115.629
Total data usage fixed (in Exabyte)	9.1	7.5
Beschikbaarheid netwerk mobile	100%	100%
Beschikbaarheid netwerk fixed	100%	100%

Sustainable entrepreneurship

Goals and Ambitions

INNOVATIVE NETWORK

Vodafone is working hard to make its GigaNet suitable for 5G. The core of the mobile network (the core network) will then be 100 percent ready for 5G. The company is actively upgrading its antenna park, in a staggered process, by installing 5G equipment and expanding the required capacity, in collaboration with our network partner Ericsson.

Vodafone wants to introduce 5G to its customers as soon as possible, but is not yet able to make any concrete statements regarding the timing of the launch at this stage. In addition to the aforementioned preparations in the network, other factors also play a role. In the course of this year, the 700, 1400 and 2100 megahertz frequency bands will be auctioned and from 2022 only the 3.5 gigahertz frequencies will be used. The latter is related to the announced relocation of the satellite monitoring station in Burum, Friesland, which uses these 3.5 gigahertz frequencies.

SUSTAINABLE BUSINESS PRACTICES

In 2020, we want to collect at least 80% of old routers, modems, WiFi boosters and media boxes to be prepared for reuse. We're unable to upgrade the remaining 20% of the devices and want to have them recycled, so that ultimately all old devices will have an environmentally friendly destination.

Our objective is to reduce the energy consumption of our company by 2% every year. Also in 2020, 100% of the electricity consists of green (wind) energy.



Our people

Results

VodafoneZiggo makes valuable connections. Together we are ensuring that people and companies are connected and stay connected every day. Together with all colleagues, we are working towards our goal: enjoyment and progress with every connection. In our organisation, everyone has the freedom and responsibility to work together effectively. And to be successful through efficient use of time, resources and the knowledge of colleagues.



Our culture

Since the start of VodafoneZiggo we have built a strong culture within our organisation, based on our values: Open Up, Team Up and Step Up. This is a culture where we understand each other, without the need for lengthy explanations. In this way, we can work together more efficiently, switch faster, things go "automatically" and it becomes more fun. Employees can be at their best, and as a company we are able to implement our strategy and deliver the best for our customers.

Our Values

OPEN UP

Think yes! Be open, honest and positive. Be open to new contacts, ideas and situations. Put yourself in the other's place. Share your experience. Stay curious. The great thing is: the more open you are, the more you learn.

TEAM UP

Go for each other. Strengthen each other. Trust each other. Value the differences. Bundle the forces. Use the energy. Do what you've agreed on. Keep each other on their toes. Celebrate each success together. The nice thing is: the more we work together, the more we achieve together.

STEP UP

Step out of your comfort zone. Set the bar high. And higher. Dare to innovate. Seize the initiative and take your responsibility. Go for quality. Every day. For every customer. What is positive is that the more we get done, the more customers appreciate us.

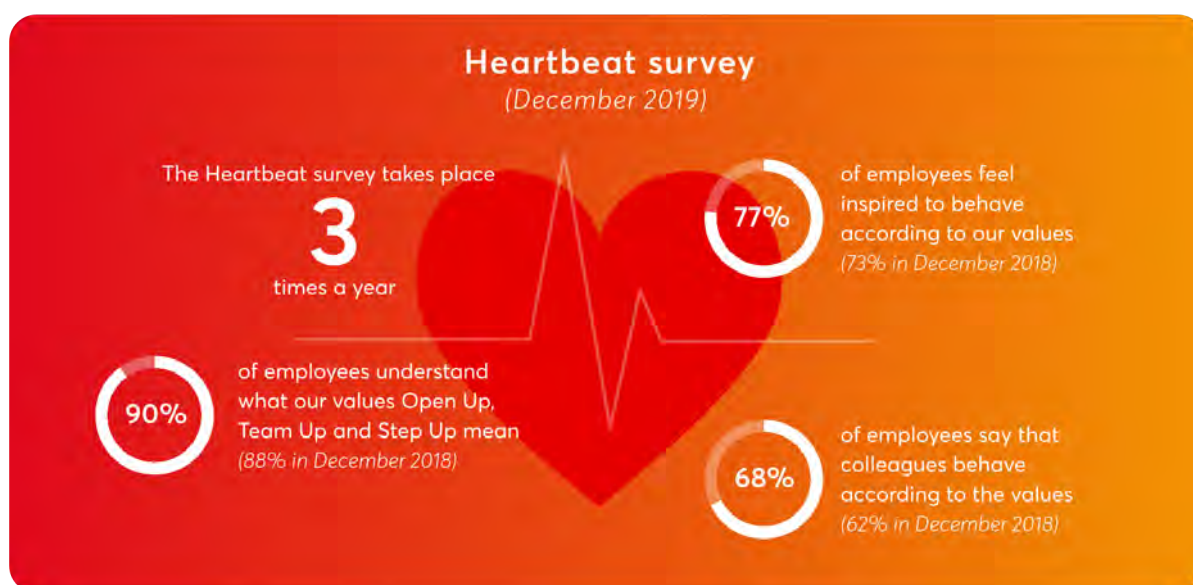
In 2019, we paid special attention to the values *Team Up* and *Step Up*. We challenged everyone to strengthen cooperation between the teams. Our people did this, among other things, by joining a meeting of another team. Then they examined as a group how together they can make customers happier.

We also introduced Step (C)Up, where each team recognises a colleague who has demonstrated Step Up behaviour, on a weekly basis.

Finally, the Step Up Awards are a token of appreciation from the entire company for one or more people who have stepped up for our company, our people or our customers.

Employee Satisfaction

Three times a year, together with our external partner Peachy Mondays, we measure the involvement and satisfaction of our people in the Heartbeat survey. This includes topics such as energy, leadership and the extent to which our colleagues recommend our own products. They gain insight into the satisfaction that their work offers and receive tips on what they can do to do their work with as much energy and pleasure as possible. We saw on all fronts that they experienced a stronger sense of belonging and had adopted our values.



The results of the research form the basis for discussions that managers have with their teams during the year. In addition, we gain insight into the overall satisfaction of our people, which we use to determine what they need to be and stay involved. For example, we are introducing a wellness program and we are paying more attention to personal development, both for employees and managers.



Our success is entirely due to our people. We provide employees with a work place where they can feel at home and we challenge them to continuously develop themselves, our company and society in general. Together we are building a strong culture and organisation. It is great to see how much we have achieved in 2019.

Thomas Mulder

Executive Director Human Resources

HR strategy

After three years of integration, 2019 was the time to look at our ambition for the next three to five years. The following two important principles for HR policy form the basis for this:

- We strengthen our people's passion for their work and their motivation to remain relevant through development, both for VodafoneZiggo and the labour market.
- We are building an organisation that responds quickly and flexibly to developments in our industry.

This means that in the coming years we will be focusing more intensively on developing our people and managers. We are creating an organisation that allows us to respond quickly to the wishes of our customers. The basis for these changes are our values and our belief in the power of diversity.

We believe it is important that our people enjoy working in the challenging market in which we find ourselves. Under the heading 'Enjoy the Challenge' we are shaping an organisation in which (new) colleagues get the best out of themselves and which we encourage them to do every day. Every day they take up the challenge to make a difference for our customers. They do this by working well together, by enjoying what they do and by developing themselves.

Diversity and Inclusion

Belonging, being part of a community that values you for who you are. That is a need that motivates people in their work and contributes to their health and happiness. That's why we are creating a working environment in which our people feel at home and feel respected for who they are.

We always opt for inclusion: everyone makes a unique contribution based on his or her background and experience. And we believe in diversity: we're working together with unique individuals with different backgrounds and beliefs. Because people from different backgrounds and with different perspectives together create more varied ideas and better results. Our people are a reflection of the society in which we live and work. This ensures a better connection with our customers, who are part of a society that is rich in cultures and beliefs.

Creating Awareness

The importance of diversity and inclusion has to penetrate the hearts and minds of our people, so that it has a permanent place in our organizational culture. That is why we create awareness about the importance of a good balance between men and women in the organisation, about the benefits of working with people from different cultures and about the enjoyment of dealing with colleagues who have different life experiences.

This is achieved among others by providing training to our people. In 2019, for example, our managers received training in which they learned about unconscious prejudices and how they can recognise and eliminate these in discussions with (new) colleagues.

We speak to each other in English and in Dutch, so that everyone understands and is able to communicate with each other. Our people have access to a quiet room to peacefully do what is necessary on account of their religious beliefs. In our Heartbeat survey we ask them if they can be themselves at work and if they feel at home in their team and at VodafoneZiggo.

Basic Principles

We defined four basic principles for all activities that we undertake in order to stimulate diversity and inclusion in our organisation:

1. Diversity and inclusion are beneficial to our people, our customers and society. It contributes to better results.
2. What someone earns depends on the job. We do not discriminate on gender, origin, beliefs or preferences.
3. Every colleague is in charge of their own career. Mentors, managers, role models and other people in the organisation are there to inspire and support.
4. Managers want the best for their people. They treat everyone without prejudice.

Within this framework, we focus on four themes:

1. Women
2. LGBT+
3. People at a distance from the labour market
4. Ethnicity

Women

A good balance between men and women in the organisation leads to better decisions and contributes to more innovation. That is why we are working hard to improve gender distribution in all positions, levels and departments. In 2019, 28% of our top managers were women. This percentage reflects the share of women in the entire organisation, which was also 28%. We are aware that relatively few women still work in the telecom sector and we are doing our best to change this.

VodafoneZiggo joined the 'Talent to the Top' initiative and promised to let more women move on to the top.

In the Discover Traineeship, the training programme that young talents follow in our organisation, the ratio between men and women is 50-50.

On 17 April 2019, we launched our renewed policy for diversity and inclusion. We organised an event in the Ziggo Dome with a panel discussion on gender equality, after which we attended Michelle Obama's lecture at the same location. On 8 March 2019, we took part in the [International Women's Day](#) and on 11 April 2019, we organized a Girls' Day. 150 girls then visited the VodafoneZiggo open day.



LGBT+

VodafoneZiggo has a large LGBT+ community. We now have a close and active group of colleagues in our LGBT+ & Friends network. In 2019, they organised training courses and networking meetings. During **Purple Friday** attention was paid to the campaign 'Being yourself can be a party'. They have good connections with the international network of LGBT+ colleagues from our parent companies.

We support Utrecht Gay Pride - we are member of the **Pride Business Club** and ambassador of **Workplace Pride**.

People at a Distance from the Labour Market

We believe it is important to offer people at a distance from the labour market the opportunity to get a job. With us they are given a full job, where they are part of our regular teams.

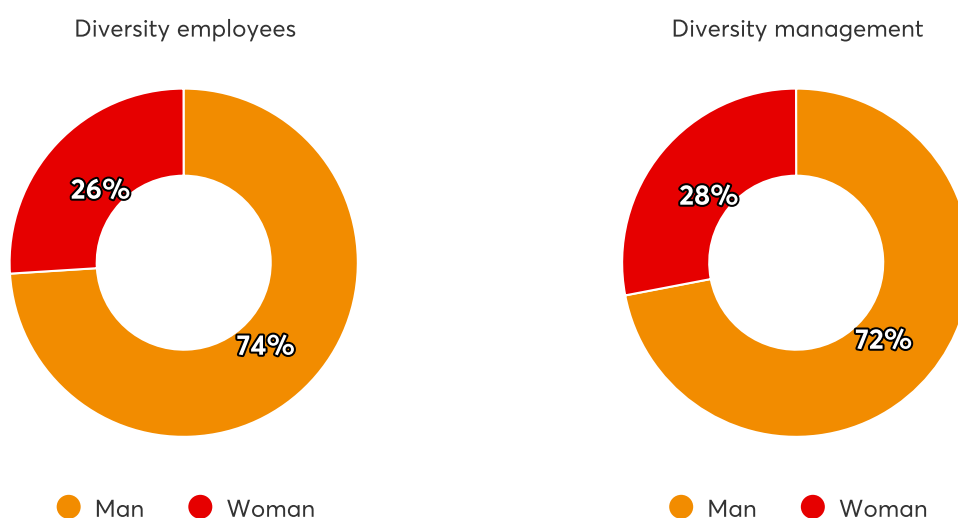
	Target 2020	2019	2018
Total hired people with a distance to the labor market	90	87	50

We collaborate with external parties to ensure that the integration of these people is as successful as possible; these parties include the Lucile Werner Foundation, Emma at Work, Onbeperkt aan de slag (Unlimited work), Locus and Normaalste zaak (Normal business). Special job coaches guide the employees in their work activities.

Every year, the TNO research institute assesses the policy we pursue for hiring and guiding these people. They present the result in the Performance Ladder for Social Enterprise (PSO), a measuring instrument that shows how well a company scores in the social field. The higher it is on the ladder, the better a company performs. This year we achieved the 'aspiring status'.

Read more about the [Performance Ladder for Social Enterprise](#)

VodafoneZiggo has a legal obligation to hire people who are distanced from the labour market. This is classed as being a 'Social Return on Investment' and is a condition for our tenders. This year we welcomed 42 colleagues who were at a distance to the labour market.



Ethnicity

VodafoneZiggo is a Dutch company with an international image. We are part of an organisation with branches in almost all parts of the world. And we're very proud of it. This international allure is visible in the workplace, where people from different cultural and ethnic backgrounds work together. This diversity enriches our organization and contributes to more mutual understanding. It is important that everyone is aware of each other's cultural customs and traditions, which is why we communicate with each other about this, for example during Christmas, Passover and Ramadan.

Recruitment and Selection

Diversity and inclusion are anchored in our recruitment policy. We select people based on their personality and qualities. We use data with which we avoid prejudices in selection. We check our vacancy texts for tone, content, stereotypes and prejudices. The consultancy firm Energique teaches our HR colleagues how to deal with unconscious prejudices. Everyone has to feel welcome in our organization.

Working at VodafoneZiggo

We are an attractive employer and we want to stay that way. Therefore, we are investing heavily in our people, our culture, our office environment and technology.

Way of Working

We use two basic principles in our way of working: focussing on results and mutual trust. In this way, we continue to work well and effectively with each other, in a time and a world that is becoming increasingly more dynamic, more demanding and more complex. We trust that everyone can bear this responsibility and we support our people as fully as possible in this.

We ask for flexibility from our people in order to go that extra mile and to be available when needed. We support our people in creating a good work/private life balance with the opportunity of flexible working.

We are working more and more in an agile manner. This agile method makes it possible to respond quickly and effectively to the wishes of the customer and changes in the market. This means that about 20% of our people in the business-to-business segment work in cross-functional teams or squads, and some 25% of our employees in the consumer market.

These teams of eight to twelve colleagues work autonomously and decide for themselves how they carry out a specific assignment, such as designing and improving products and services. They take on tasks in so-called *sprints* - a fixed period of time of two weeks. At the end of the period, they evaluate what went well and what could be improved. Agile coaches support the teams in this.

Research shows that people who work independently and have more say in their work are more satisfied. Satisfied people better serve their customers, which also increases customer satisfaction - a true win-win situation.

Incidentally, the entire organisation does not work in agile teams. It has to align with the type of work that we do.



Harmonization of Employment Conditions

Arriving at just one package of employment conditions for all our people was an important step in the integration of Vodafone and Ziggo. We went from two employment condition packages with major differences to a single package for everyone. It ensured that we now reward all colleagues for the same work in a similar way. We removed the differences and ensured clarity about the employment conditions that apply to a specific position. We started this process in 2018 and completed it in July 2019. More than 40 rounds of negotiations with social partners were needed to arrive at a new collective bargaining agreement with good social provisions and a new set of sectoral regulations.

The new package of employment conditions has a high degree of freedom of choice, where extra effort is rewarded. Among other things, our people can buy extra days off, opt for extra pension contributions, save for a sabbatical, purchase a bicycle in a tax-friendly manner or exercise at a discounted price. All our people (to whom the VodafoneZiggo collective bargaining agreement applies) now come under the same job evaluation system. This system consists of four pay lines (one per job cluster). There is also a new pension system, which consists of an available premium scheme where every colleague builds up a good pension and has the option of making additional contributions. With the new, attractive employment conditions, we want to retain talent and bring in the best talent on the labour market.

Developing Our People

We want our people to be and remain relevant to the organisation and the labour market. We want them to be flexible and move with what our customers and the market demand. We support them so that they can be successful in their personal development and that of their team and the organization. They are given the opportunity and support to develop in terms of content, competencies, leadership and sustainable employability. The learning process takes place as much as possible in the workplace and consists of the implementation of challenging projects in collaboration with others, wherein colleagues provide feedback on each other's actions.

The emphasis is on the development of the individual. We want everyone to get the best out of themselves. We give our people the space to learn relevant skills and to continuously develop themselves. We don't tell them where they should develop. Each colleague is responsible for their own career plan.

Since March 2019, our people have access to a joint online learning platform 'Progress for You' to develop their skills. Learning topics include personal leadership, effective communication, collaboration, innovation and analytical thinking. In addition, programs are underway that include them in the digitisation process of our organisation, such as data-driven, agile and customer-oriented working.

Because everyone learns differently, our people select the training method that suits them best, such as online courses, apps, podcasts and videos in English or Dutch. Some training courses are compulsory for all colleagues, for example on topics such as ethical conduct and safety. Our people follow other training courses according to their own needs. Our extensive catalogue of more than seven hundred training courses offers a range of subjects, including coaching leadership, data visualization and storytelling. There are job-specific training courses for colleagues who deal with customers - these involve technicians, sales managers and colleagues who work in shops and call centres.

We supported the introduction of 'Progress for You' with a few events to promote our new learning culture. In July and August 2019, for example, we organized the Summer Boost, an internal training programme in which colleagues with special stories shared their experiences and knowledge with other colleagues. Topics included mindfulness, visualizing goals and learning from the mentality of top athletes.



Social Initiatives

We like to involve our people in our commitment to a digital society in which everyone has the same opportunities.

STEP UP FOR GOOD

For many people, both young and old, participating in the digital society is by no means self-evident. VodafoneZiggo is committed to ensuring that everyone develops digital skills. We have therefore developed several programs to support young and old alike: Online Masters, Experience Days and Welcome Online. We offer employees the opportunity to volunteer for one of these programs during working hours. They can contribute as a teacher, coach or a helping hand. The online platform **Step Up for Good** has been made available since October 2019, where they can register as volunteers.

SPORTS EVENTS

We organize sporting events such as the Connect Run, which allowed us to raise money for the foundation **Kind en Ziekenhuis** (Child and Hospital foundation) in 2019. This is a patient organisation that advocates medical care, which takes into account the needs of children, such as taking fear seriously and preventing pain.

Our sports committee organizes various sports activities for our people, such as running and mountain bike clinics. It also facilitates participation in sports events. Our colleagues participated in the 4 Mijl van Groningen (Groningen 4 mile run) and the Singelloop (Canal run) in Utrecht. We also have a mixed hockey team and a [footy](#) team.

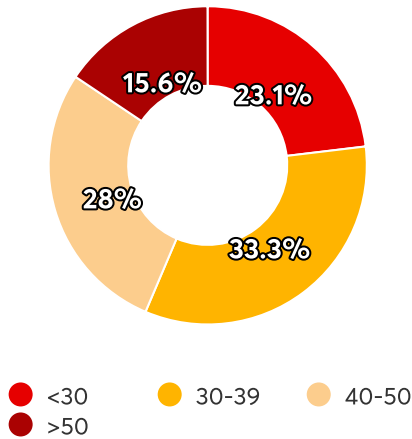
Workplace

We offer a great place to work. Not only because of our products and services, but also because of an office that's focused on the latest ways of working. A place that serves as a basis for all colleagues and where you can safely and pleasantly work together. A place that is sustainable, dynamic and smart.

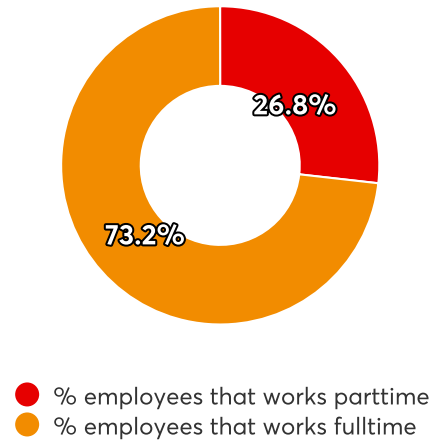
Our working environment is aimed at stimulating various types of activities and forms of consultation that people have during the day. We want the way of working within our organisation to give our people the energy to keep moving, so that they develop personally and can optimally contribute to our business goals. We make use of the human and technical qualities that we have. Consider, for example, video conferencing, Skype and a cloud environment so that we can work well and efficiently with colleagues - in all locations.

We work from nine office locations in the Netherlands, with two hubs in Utrecht and Maastricht. Our offices are located as centrally as possible so that they are easily accessible and colleagues and guests can reach us by train. We ensure that there are enough places to work flexibly. When designing the Central Office in Utrecht, we created a vital environment and a comfortable and enjoyable workplace. In 2020, we're building a new hub next to the Central Station in Eindhoven. We designed the building entirely according to the wishes for flexible and agile working. The office will be ready for use at the end of 2021.

Age distribution of employees



Distribution parttime/fulltime



New Colleagues

New colleagues are welcomed with a special introduction programme. This is an important means of quickly making them feel part of the VodafoneZiggo family. New colleagues get to know our people and organisation during this programme. In a short period of time, they are given the feeling that they really belong - the basis for being able to function well and to work with pleasure.

In the first two working days, the new colleagues are introduced to the code of conduct, culture, value, mission and products of VodafoneZiggo. They spend a day in a call centre and visit one of our shops. They learn that every position and every individual in the organisation is equally important. They visit the **TEC Campus** and the Experience Centre, where they experience how we put our customers at the centre of everything we do. They participate in an 'onboarding' day for all new starters of that month.

Changes to our IT processes have ensured that new colleagues can get to work faster. 77% of all new colleagues already have the equipment and resources to get started on the first day, such as a laptop and an access pass. In 2018 this was still 51%. A special Onboarding Desk with people from HR and IT supports the new employees.

In 2019, a total of more than four hundred new colleagues went through our onboarding program. The result is a close-knit group of people who always know where to find each other and who can work well together.

Trainees

Talent determines the success of VodafoneZiggo. That's why one of the programs we have been offering for many years is the Discover Traineeship. The purpose of this program is to give talents extensive knowledge of our company and our people for a year and a half, wherein we challenge them to learn and grow quickly within a dynamic company like ours. Trainees work on three different projects during this period. Two of them take place within the business unit to which they have applied for a job and one within another unit. In this way, they discover multiple facets of the organisation and we challenge them to step out of their comfort zone. They take part in multiple sessions with a trainer-coach in order to work on their personal development. They also follow various workshops and training courses. A line manager supports each trainee throughout the year.

We select those trainees who we believe are the innovative talents that can shape our company now and in the future. That is why every candidate receives an extensive assessment, in which we look at experience, knowledge and growth potential. In 2019, more than 750 people applied, of whom 42 eventually started as trainees.

	Target 2020	2019	2018
Totaal Discover trainees hired	50	42	n/a

Leadership

In 2019, our managers - about six hundred men and women - followed the VodafoneZiggo Leadership Journey. This leadership program focuses on the transformation from managing and controlling to delegation and coaching. The key objectives are:

- the development of personal leadership qualities
- building an informal network of managers
- stimulating the desired organizational culture
- connecting to our mission in all activities

This included being done in 360° feedback sessions, where the managers gained insight into their qualities and points for development. During the Leadership Event all managers came together for inspirational sessions with themes such as enjoyment, progress and connection.

We introduced the Leadership App, a digital game that challenges the player every day in terms of leadership behaviour. The focus here is on self-reflection and the application of newly acquired skills, such as discussion techniques, coaching and giving feedback. The Progress for You platform offers e-learning sessions that managers can follow voluntarily, with topics such as team performance, self-development and energy.

As part of the **digitisation** of our organisation, we developed a curriculum for agile and data-driven work. We also carry out an ongoing dialogue about the meaning of our values.

In order to determine whether managers are performing their work well and to stimulate and motivate their teams and people, the Heartbeat survey is of great importance. This survey also includes questioning our people about their supervisors. If they get a low assessment from their team, we then talk to the managers to see what they need in order to improve the development of the teams.

Mobility

We want to substantially reduce the number of travel movements between the various VodafoneZiggo locations. For this we need more than just good technical facilities. We are also investing in the organisational culture, so that our people feel more comfortable when working and meeting remotely. By gaining experience with these techniques, they become increasingly familiar with it.

We adjusted our mobility policy to further reduce the ecological footprint of our activities. To encourage the use of public transport, we gave most people the choice of different types of rail season tickets. The majority (51%) chose the 'full public transport' option: a first-class rail season ticket, including free private use. More than 120 lease drivers turned in their cars early to make the switch to public transport. In 2019, our people travelled over 30.5 million kilometres by train.

Our choice for a central location of our Utrecht office - located next to Central Station - appeals to young talents, who like to work in an easily accessible place near shops and opportunities to grab a snack or drink with colleagues.

We are taking important steps towards a greener vehicle fleet. For colleagues who are often on the road - such as technicians and sales managers - we came up with a new lease arrangement. This is designed to offer electric and hybrid cars at attractive conditions. We made twelve hybrid shared cars available at the various office locations, which our people are able to use for business trips.

Over the coming period, the focus will be on improving policy, including further encouragement of bicycle use.

	2019	2018
% employees with an unlimited travel train card	51%	51%

Sick Leave

The satisfaction survey among our people (the Heartbeat survey) showed that many colleagues often experienced a high workload this year. We saw this in a higher sickness absence rate of 5.42%. We are investigating what the causes are and how we can invest in prevention, health and vitality.

In 2019, we already started to focus on absenteeism guidance. Our managers now know better what to do when an employee is home sick. They are receiving support from a team of specialists. In the course of the year, we saw that sickness absence decreased.

In response to the preliminary results of the Heartbeat study, we have already defined some actions for 2020. For example, our people receive a discount if they go and exercise. We are improving workplaces by making adjustments to our buildings. In our Groningen office, for example, we placed some plants and made desks suitable for both sitting and standing. At several locations we investigated how we can structurally improve the indoor climate. We are also investing further in our leadership programme, wherein we see an important role in giving appreciation. Lack of appreciation appeared to be a key theme among many colleagues.

Works Council

After we had created [a single employment conditions package](#) for all our people, it was also a logical step to create a single Works Council. Previously, both Vodafone and Ziggo had their own Works Council. The merger into one joint council of 25 members makes coordination between the organisation and the works council more effective and the work for the works council more transparent. The elections for the new Works Council took place from 12 to 17 September 2019.



	2019	2018
Total FTE	6,696	6,656

Goals and Ambitions

DIVERSITY AND INCLUSION

Our goal is to further promote diversity and inclusion within VodafoneZiggo in the coming years. We therefore want to clearly communicate that our organisation is open to a wide variety of new colleagues. In particular, we offer employment opportunities to women, people with an occupational disability, LGBT+ people and asylum seekers with a provisional or conditional residence permit (permit holders). We support our employees in recruiting these people through job coaching, buddy training and awareness sessions. Our efforts must result in a good score on the [Performance Ladder for Social Enterprise](#). They must also ensure that we comply with our legal obligation to employ people at a distance from the labour market ([Social Return on Investment](#)). By 2020, we want to hire about fifty people with an occupational disability. We will also provide insight into how many women in our company work in top and higher positions. We are also striving for more women to join technical positions.

Diversity VodafoneZiggo	Target 2020	2019	
Diversity top management (shown in% female)	30%	75%	
Diversity of sub-top management (shown in% female)	26%	25%	
	Target 2020	2019	2018
Total hired people with a distance to the labor market	90	87	50

ATTRACTIVE EMPLOYER

VodafoneZiggo wants all employees to enjoy moving forward in their roles. In this way, they remain relevant for the labour market throughout their careers (both within and outside of VodafoneZiggo). In our HR policy, we encourage colleagues to develop both the skills of today and those of the future. They learn from each other in the workplace and are given plenty of opportunities to take courses and training. We invite everyone, with any background, education level or (lack of) technical knowledge, to take up the challenge with us.

VodafoneZiggo also offers employees the opportunity to volunteer for one of the company's social projects during working hours. This can be, for example, teaching children about digitisation or helping the elderly find their way on the internet.



Our organisation



Organisational Structure

VodafoneZiggo is a joint venture of the Dutch divisions of Vodafone Group and Liberty Global, respectively Vodafone Netherlands and Ziggo. The parent companies are the shareholders of VodafoneZiggo and have an equal interest of 50%.

The company was officially established on December 31, 2016, after approval from the European Commission and the works councils of former Ziggo and Vodafone Netherlands.

Management board & Board of Directors

The (statutory) board of directors of VodafoneZiggo consists of the CEO and CFO, who are appointed by the general meeting of shareholders.

Our board of directors supervises day-to-day management and is responsible for developing a long-term vision and formulating the business strategy. The board of directors consists of the CEO, CFO and seven members of the management who represent the following business units:

- Strategy Insights & Integration
- Consumer Business
- Enterprise Business
- Customer Operations
- Technology
- HR
- External & Legal Affairs
- Finance

The board of directors works closely with the Senior Management Team (SMT). This is a group of 65 experienced directors and senior managers, divided across eight business units. The board of directors and the SMT are in charge of the daily management of 7,450 internal and 3,000 external employees.

Composition of the Board of Directors

JEROEN HOENCAMP – CEO

Jeroen worked at Vodafone Group for 18 years. Before he started as CEO of VodafoneZiggo, he was CEO of Vodafone Ireland & UK and Vodafone Netherlands respectively.

RITCHY DROST – CFO

Ritchy was CFO of Ziggo and previously worked at Liberty Global for 17 years as the VFP of the European Division of Liberty Global and UPC Netherlands, among other roles.

THOMAS MULDER – EXECUTIVE DIRECTOR HUMAN RESOURCES

Thomas was HR director at Vodafone Netherlands. From January 2017, he worked in London as Global HR Director for the corporate branch Group Enterprise. In the summer of 2018, he returned to the Netherlands. He succeeded Anja Maassen van den Brink on 1 August 2018.

JOHN VAN VIANEN – EXECUTIVE DIRECTOR BUSINESS-TO-BUSINESS

John was CEO of KPN Business Market and member of the Executive Committee of KPN. IT Solutions (formerly Getronics) integrated with KPN under his management.

MARCEL DE GROOT - EXECUTIVE DIRECTOR BUSINESS-TO-CONSUMER

Marcel was a Consumer Business Unit Director of Vodafone Netherlands and previously with Vodafone Ireland. He started his career at GlaxoSmithKline.

ROBIN CLEMENTS – EXECUTIVE DIRECTOR CUSTOMER OPERATIONS

Robin worked at KPN for 15 years in various operational and commercial roles, both in fixed and mobile telephony and in the internet branch. Before VodafoneZiggo, he was responsible for marketing, sales and service in the private and small business market at Achmea Centraal Beheer and FBTO.

EBEN ALBERTYN – EXECUTIVE DIRECTOR TECHNOLOGY

Eben was Technology Director Vodafone Netherlands. Before coming to the Netherlands, he fulfilled a number of technical senior execution roles at telecom companies in Africa.

BARBARA JONGERDEN – EXECUTIVE DIRECTOR EXTERNAL & LEGAL AFFAIRS

Barbara was Corporate Affairs & Strategy Director at Vodafone Netherlands. Prior to that time, she worked at PwC, Corporate Express (now Staples) and Liberty Global.

ROBIN KROES – EXECUTIVE DIRECTOR STRATEGY INSIGHTS & INTEGRATION

Robin was Senior Vice President Strategy & Integration at Ziggo. From 2012, he was Vice President Strategy & Corporate Development at UPC Netherlands. He started his career at Chello Media.

Supervisory Board

The supervisory board consists of the following members (composition on 31 December 2019):

- three members appointed on nomination by Liberty Global
- three members appointed on nomination by Vodafone Group
- two independent members appointed on nomination by the works councils of former Vodafone Netherlands and Ziggo

Supervisory Board Composition

The supervisory board consists of the following members (composition on 31 December 2019):

MANUEL KOHNSTAMM (CHAIR)

(1962, Dutch)

Senior Vice President & Chief Corporate Affairs Officer Liberty Global

BAPTIST COOPMANS

(1965, Dutch)

Chief Executive Officer UPC Switzerland

CHARLIE BRACKEN

(1966, British)

Executive Vice President & Chief Financial Officer Liberty Global

SERPIL TUMURAY

(1969, Turkish)

CEO Europe Cluster Vodafone Group

CARMEN VELTHUIS

(1974, Dutch)

Finance Director Europe Cluster Vodafone Group

JOHN OTTY

(1964, British)

Group Financial Controller Vodafone Group

HUUB WILLEMS

(1944, Dutch)

Professor of Corporate Litigation at the University of Groningen and former chairman of the Enterprise Division of the Amsterdam Court of Appeal

CARLA MAHIEU

(1959, Dutch)

Global Head Human Resources & Executive Vice President Aegon N.V.

Supervisory Board members stood down in 2019:

- Diederik Karsten, stood down on 22 March 2019.
- Margherita Della Valle, stood down on 31 December 2019.

The supervisory board has two committees (composition as of 31 December 2019):

- *The Audit, Risk & Compliance Committee: The Audit, Risk & Compliance Committee:* Charlie Bracken (Chair), Baptiest Coopmans, Margherita Della Valle and John Otty
- *the Remuneration & Nomination Committee* Serpil Timuray (Chair), John Otty, Manuel Kohnstamm and Charlie Bracken

Risk Management

We believe it is important that we know which risks can influence our strategy. We want to take the right measures to control these risks in order to protect our customers, people, reputation and shareholders. For each business unit, an employee is responsible for recognizing and listing all relevant risks in their business unit. These employees report to the Privacy, Risk & Compliance Team of VodafoneZiggo, four times a year. This team safeguards the quality of the process, coordinates company-wide risks and lists the ten most important risks. The risk owners are responsible for implementing measures to control the risk.

Major Risks

The ten most important risks in 2019 were:

COMPETITION

The risk of growing competition from telecom providers, but also content and media providers, such as Amazon, Google and Apple. This could be at the expense of our turnover and profit. This risk is difficult to control due to the many external factors. We keep a close eye on market developments and continue to provide distinctive 'content' (sports, films, series and TV programs).

CONSUMER CREDIT

The risk that we do not comply with the laws and regulations for consumer credit, resulting in consumer over-crediting. If we don't comply, the government can impose sanction on us. All colleagues who have contact with customers, follow a mandatory training course. They all take the **banker's oath**. We also take other prevention and detection measures to further limit the risk. We are constantly looking at how to improve the compliance program.

CYBER ATTACKS

The risk of a cyber attack, both inside and outside the organisation. This can cause data breaches and network malfunctions. We are constantly improving prevention, detection and corrective measures to increase security and reduce the risk of cyber-attacks. In addition, we comply with the general safety guidelines that apply to this and we follow the latest developments closely.

DATA QUALITY AND MANAGEMENT

The risk that data quality and data management are not satisfactory, so that we do not have a proper basis for taking decisions. This can have a negative impact for our customers. This can also make it harder for us to achieve our commercial and strategic goals. We are developing various initiatives and projects to improve data quality and data management.

INTEGRATION OF THE DIFFERENT IT SYSTEMS

The risk that the implementation or migration of IT systems will fail, with major consequences for our customers, revenues, costs and reputation. This risk affects all major IT transformation programs and can also lead to poorer internal control. The risk owner and management regularly discuss the progress of the programs and the status of the risks. Where necessary, they make adjustments.

COMPETITION LAW

The risk that we do not comply with competition law. This can have an effect on our customers and lead the government to impose sanctions on us. To manage this risk, we regularly publish guidelines on competition. Our people can always consult these rules on the intranet. We provide personal training and offer mandatory e-learning for all employees of VodafoneZiggo.

DELIVERING CUSTOMER EXPECTATION

The risk that we are unable to offer our customers the experience they expect. The reasons for this are, for example, errors in our systems, in our products and in our customer service. We carried out various projects that contributed to a positive customer experience. Some projects are ongoing. We continuously monitor the development of the customer experience throughout the organisation.

PRIVACY

The risk that we will not comply with the privacy regulations. This can damage our customers and our reputation. The government can impose sanctions. We introduced the renewed privacy legislation with an organisation-wide program. Our Privacy Office keeps track of all privacy developments and works to reduce the risks.

Read more about [privacy](#) in this annual report.

REGULATORY BURDEN

The risk of increasingly complex regulations that can have a major impact on our organisation and strategy, including in the field of spectrum auctions and cable access. The Regulatory Affairs team follows new developments in the field of legislation and regulations. This team regularly consults with the government and stakeholders about new developments in the field of legislation and regulations within our industry.

TECHNOLOGICAL FAILURE

The risk that an important part of our infrastructure will be disrupted. As a result, we can no longer provide some services, which has a major effect on our customers and revenue. We introduced many measures and projects to build a reliable network and infrastructure, in which we prevent failures as much as possible. We monitor all networks for (possible) technical failures and take immediate action to limit the consequences for our customers.

Acting ethically

We strive to work with honesty and integrity, according to the highest ethical and legal standards. With respect for each other and those with whom we do business.

Code of Conduct

In our company, we work together with many thousands of people, for a multitude of customers. In order to know from each other how we want to work together, it is important that we have common rules of conduct, laid down in a [code of conduct](#). Such a code of conduct gives direction to our daily activities and describes which rules apply within our company: formal, informal and ethical. We launched our updated code of conduct in January 2019.

Training

During the year, all our people received training on behaviour and ethical conduct, where they learned about:

- privacy
- anti-bribery and anti-corruption
- competition law
- security
- health and wellbeing
- the code of conduct

Every two months, we focussed on a topic from the code of conduct that included posters, articles, discussions on Yammer (similar to Twitter, but only for employees), training courses and team meetings.

The Privacy, Risk & Compliance Team saw that awareness of ethical behaviour increased through these activities. This was reflected, among other things, in a higher number of reports and requests for advice. We use the feedback from our people to further develop communication and training about ethical conduct.

- Almost 95% of our people have completed the modules on the code of conduct. We are also making it compulsory for every external person we hire to follow the training modules.
- Training hours: corporate 4000 x 2.5 hours and customer-facing 4,500 x 0.5 hours

Whistleblower Procedure

The code of conduct also indicates how internal and external employees should act if they suspect malpractices or violations are taking place. An important factor in this respect is that they feel safe to report such matters. We encourage them to do so, and promise to protect everyone who acts in good faith.

We offer our people different ways to report a complaint if they suspect wrongdoing. In 2019, we saw an increase in reports, as we focussed on this topic and had internal discussions about it. We also saw an increase in the quality of incident reports. Each notification contains more information so that we can better assess the consequences and the priority. This, in turn, means we can act faster and more efficiently. We safeguard the necessary information. The quality of the reviews is better. The disciplinary measures resulting from the reviews range from a warning to instant dismissal.



Appendices

Products and Services

VodafoneZiggo provides products and services relating to television, broadband internet, telephony and mobile data to consumer and business customers in the Netherlands.

Television

A basic TV subscription provides the customer with access to at least 45 television channels and various radio channels.

The total channel offer consists of entertainment, sports, films, documentaries, lifestyle programs, news, adult, children's, ethnic, pay and foreign channels.

Customers can watch TV wherever, when and how they want, for example with a digital video recorder, a multimedia modem or a mobile app.

The smart user interface allows the customer to watch linear ('normal') TV, video on demand or personal media.

It is possible to view and share media on multiple devices. With the Ziggo Go app, customers can view a second screen anywhere in the EU.

Broadband Internet

VodafoneZiggo wants to offer its customers a good network connection everywhere and at all times. That's why we invest in our broadband network, mobile services, Wi-Fi solutions and indoor equipment.

Customers can access the network with a cable modem or a wireless connection through a Wi-Fi gateway. They can choose from different internet speeds, up to 400 megabits per second for consumers and up to 500 megabits per second for small business customers.

Our Internet services include email, an address book and parental control software.

For an additional charge, we offer additional services, such as online storage options, more web space and protection against viruses, spyware and spam.

With Wi-Fi spots, customers also have access to wireless internet outdoors. This service uses customers' Wi-Fi routers without compromising the safety of users.

Fixed Telephony

VodafoneZiggo's fixed telephone line runs via the 'Voice over Internet Protocol' (VoIP).

A basic subscription entitles you to a fixed telephone connection with a choice of various options, such as unlimited calls within the network, calls to national or international numbers and calls during off-peak hours.

For an additional charge, we offer services such as an additional telephone line, a Personal Call Manager to manage incoming and outgoing calls and a unified messaging service to receive messages of different 'formats' in one common inbox. The Personal Call Manager provides the customer with a complete overview of incoming and outgoing calls, dialled numbers and the duration of calls.

Mobile Services

Customers are connected online everywhere through our mobile services. We provide good and fast connections with sufficient capacity.

Our mobile customers can make calls, send text messages, use the internet, stream music and watch television wherever and whenever they want, both at home and on the move.

Mobile traffic runs via our 2G, 3G and 4G networks, which have national coverage. VodafoneZiggo opens its mobile networks under commercial conditions to third parties who sell mobile data services under their own brand name.

Bundled Services

Our customers can purchase our products in bundles, in combinations of two, three or four services This relates to:

- Internet
- TV
- Fixed Telephony
- Mobile Services

Business services

For its corporate clients, VodafoneZiggo has a special service package with six categories:

- Mobile services, such as international calling, texting, mobile data and the Internet of Things
- Telephone services, such as Voice over IP, video conferencing and telephone exchanges for internal use
- Data services, such as Internet access, private corporate networks (Virtual Private Networks), point-to-point connections and managed Wi-Fi networks
- Television and Internet services for business customers to serve their customers
- Extra services, such as web hosting, cloud storage and services to make work safe, for example by protecting against DDoS attacks
- Convergent fixed and mobile services, tailored for the business customer such as Skype for Business

Stakeholder dialogues and material topics

About this report

Through this annual report we provide our stakeholders with insight into the developments, performance and themes from 2019. We paint an honest picture of things that went well and provide insight into the challenges we see ahead of us. We also refer to our corporate website vodafoneziggo.nl, where there is new information about the latest developments and projects.

Design and content

The annual report was partly due to the efforts of the management members who were responsible for a material topic. Together with the nine members of the board of directors, they determined the structure of the report and provided all qualitative and quantitative data for reporting. The CSR Committee reviewed the draft text of the annual report and approved the final version. The Corporate Communication department is responsible for the composition, final editing and publication of this annual report.

The presented financial figures are taken from the consolidated financial statements of VodafoneZiggo Group B.V. The consolidated financial statements of VodafoneZiggo Group B.V. for the year ended December 31, 2019 has been prepared in accordance with US GAAP and has been audited by KPMG Accountants N.V. on March 13, 2020.

The **reporting criteria** of the Sustainability Performance are the internally applied reporting criteria based on the definitions of the GreenhouseGas Protocol.

Our Ambition

Our goal is to produce an even more transparent and comprehensive annual report, in which we focus on the topics to which our stakeholders attach the greatest importance. In order to clarify exactly what our influence is on the world around us, we will conduct regular impact studies in the coming years.

For questions about this annual report you can send an email to pers@vodafoneziggo.com.

Colophon

Website creation

F19 Digital Reporting

Design

Marco van Buren

Text

Rob Vissers

Sustainable Development Goals

Sustainable Development Goals (SDG) VodafoneZiggo's impact



Background

VodafoneZiggo has developed targeted educational programs (Welcome Online for the elderly, Online Masters and Experience Days for schoolchildren and families).

Objective

- By the end of 2020, VodafoneZiggo will have made 152,500 people in the Netherlands digitally more skilled



Background

We introduced a new diversity and inclusion policy in 2019.

Objective



- 28% women at the top (SLT and SMT) in 2019
- 30% women at the top (SLT and SMT) in 2020
- Equal pay (also for part-time and full-time employees)



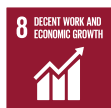
Background

Our networks, our offices and stores use energy. To make this as sustainable as possible, we continuously invest in energy efficiency.

Objective



- Procure 100% green energy, generated by European windmills
- Become 2% more energy efficient every year
- Use the most energy-efficient equipment and software
- Keeping the growing network's energy consumption stable



Background

We have drawn up a sustainable and ethical procurement code to prevent malpractices in the chain. We also promote decent work for everyone.

Objective

- PSO (prestatieladder sociaal ondernemen) meenemen in inkoopproces
- Accessibility test at new offices
- Produce resources (including for the blind and visually impaired) when using our websites and apps



Background

By providing a high-quality infrastructure and by implementing innovations in the Internet of Things (IoT), we promote people's well-being and ensure sustainable solutions.

Objective

- Make the most of the possibilities of digitisation by investing nearly 1 billion euro annually to improve our networks (fixed and mobile)



Background

We are creating an organisation in which employees can use their talents, feel at home and be themselves.

Objective

- Develop programs in the field of digital skills
- An organization that reflects society (diversity and inclusion)
- Full acceptance within the organisation for all employees



Background

Helping cities to become more efficient, safer and more sustainable.

Objective

- With VodafoneZiggo's IoT solutions, make it possible for cities to grow into 'smart' cities



Background

We are constantly working on ways to use natural resources more efficiently.

Objective

- Recycle 80% of our Ziggo Mediaboxes
- Have more appliances returned with our Trade-In deals

Environmental Impact

(in tCO2)

Scope 1		2019			2018		
Company division	Company subdivision	Amount	Unit	CO2-emissions in ton	Amount	Unit	CO2-emissions in ton
Buildings	Use of fossil fuel	524,537	m3	988.23	337,264	m3	637.43
		-	litre diesel	-	-	litre diesel	-
Retail	Use of natural gas	382,534	m3	720.69	461,461	m3	872.16
Network	Mobile network	161,383	litre diesel	521.27	275,828	litre diesel	890.92
		31,772	m3	59.86	121,433	m3	229.51
	Fixed network and data centers	29,055	litre diesel	93.85	19,309	litre diesel	62.37
		2,419,265	litre diesel	7,814.23	2,519,897	litre diesel	8,139.27
Travel	Company cars	725,217	litre gasonline	1,987.09	605,057	litre benzine	1,657.86
		3	litre lpg	0.01	970	litre lpg	1.75
		18,627	n.a.	18.627	-	n.a.	0
Refrigerants and fire suppressants	Office	0	kg CO2eq	-	41,278	kg CO2eq	41.27804
	Retail	153,010	n.a.	153.01	5,475	n.a.	5.4751
	Network			12,356.86			12,538.02
Total (without Gold Standard certificats)				0			0
Total (with Gold Standard certificats)				0			0

Scope 2

Company division	Company subdivision	Usage	Unit	CO2-emissions in ton	Usage	Unit	CO2-emissions in ton
Buildings	Electricity use offices	18,900,827	kWh	-		kWh	-
	District heating	18,708	GJ	672.92	7,608	GJ	273.66
Retail	Electricity use	4,799,288	kWh	-	339,038	kWh	-
Travel	Company cars	62,772	kWh	-	62,598	kWh	-
Network	Electricity use	76,103,754	kWh	-	22175133.915	kWh	-
	- acces network						

	Electricity use core network	111,976,723 kWh	-		kWh	-
	Electricity use datacenters	106966417 kWh	-		kWh	-
	Mobile network	kWh	-	123,430,861	kWh	-
	Fixed network and datacenters	kWh	-	137591529.85	kWh	-
Total (without Gold Standard certificats)			672.92316			273.65976
Total (with Gold Standard certificats)			0			0

Scope 3

Company division	Company subdivision	Usage	Unit	CO2-emissions in ton	Usage	Unit	CO2-emissions in ton
Travel	Business flights <700 km	98,560	km	29.27	59,657	km	17.72
	Business flights >700 <2.500 km	860,865	km	172.17	680,780	km	136.16
	Business flights >2.500 km	1,590,117	km	233.75	1,634,488	km	240.27
	Business travel by public transport	4,284,366	km	154.24	4,284,366	km	154.24
	Business travel by personal cars	8,630,830	km	1,743.43	8,630,830	km	1,898.78
	Commuting travel by personal car	6,936	tCO2	6,935.77	9,573	tCO2	9,572.51
	Commuting travel public transport	317	tCO2	316.99	341	tCO2	340.80
Paper usage	Offices	180000	kg paper	217.44	2152	kg paper	2.60
Device box	Device box shipping	902.45347	tCO2	902.45347	849.79293	tCO2	850.79293
Total (without Gold Standard certificats)				10705.50955			14063.65577
Total (with Gold Standard certificats)				1119.89347			14063.65577

Waste Offices and support centers**2019**

Cardboard and paper	13,851,000 kg
Coffee grounds	520,000 kg
Other waste	108,310,000 kg

Waste network**2019**

Disposal of total telecomms equipment waste	228,027 kg
Recycling of total telecomms equipment	197,393 kg
Reuse of total telecomms equipment waste	2,334 kg
Total disposal of hazardous waste	114,591 kg
Disposal of batteries classed as hazardous or special waste	15,558 kg
Disposal of Asbestos	- kg
Total recycling of waste classed as hazardous or special	80,858 kg
Recycling of batteries classed as hazardous or special waste	10,113 kg
Total reuse of waste classed as hazardous or special waste	- kg
Reuse of batteries that have been classed as hazardous or special waste	2,334 kg

